

Weekly Compilation of
**Presidential
Documents**



Monday, July 26, 1999
Volume 35—Number 29
Pages 1387–1470

Contents

Addresses and Remarks

See also Meetings With Foreign Leaders
Camp David, MD, remarks on returning
from—1403
Comprehensive Test Ban Treaty—1424
Democratic Business Council dinner—1432
Democratic National Committee dinner—
1418
Iowa
Amos Hiatt Middle School in Des
Moines—1387
Senator Tom Harkin
Dinner in Des Moines—1392
Reception in Des Moines—1397
Kennedy, John F., Jr., disappearance of
aircraft—1403
Legal community representatives—1426
Michigan
Medicare, conversation in Lansing—1453
Overflow crowd in Lansing—1466
Patients' Bill of Rights—1391
Radio address—1401
Women's Leadership Forum dinner—1432
Women's World Cup soccer champion U.S.
team—1405

Bill Signings

Y2K Act, statement—1431

Communications to Congress

Albania, emigration policies and trade status,
message transmitting report—1415
Deployment of military forces for stabilization
of areas of the former Yugoslavia, letter
reporting—1416
Education, letter on proposed legislation—
1417
Iraq, U.S. national emergency, message
transmitting notice—1438
Libya, U.S. national emergency, message
reporting—1415

Communications to Federal Agencies

Delegation of authority, memorandum—1405
Military compensation, ninth quadrennial
review, memorandum—1437

Executive Orders

Further Amendments to Executive Order
12757, Implementation of the Enterprise
for the Americas Initiative—1467

(Continued on the inside of the back cover.)

Editor's Note: The President was in Cincinnati, OH, on July 23, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under

regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for \$80.00 per year (\$137.00 for mailing first class) and to foreign subscribers for \$93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is \$3.00 (\$3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

Contents—Continued

Interviews With the News Media

- Exchanges with reporters
 - Iowa, Des Moines—1391
 - Rose Garden—1424
- News conferences
 - July 19 (No. 178) with Prime Minister Barak of Israel —1406
 - July 21 (No. 179)—1438

Joint Statements

- Joint Statement by President Clinton and Prime Minister Ehud Barak—1412

Meetings With Foreign Leaders

- Israel, Prime Minister Barak—1403, 1406, 1412

Notices

- Continuation of Iraqi Emergency—1437

Statements by the President

See also Bill Signings

Crime rate statistics—1403

House action

“African Growth and Opportunity Act”—
1392

Republican tax plan—1466

Representative Michael P. Forbes, decision to
join Democratic Party—1402

Senate action on hate crimes legislation—1467

Senate inaction on nomination for Assistant
Attorney General, Civil Rights Division—
1453

Supplementary Materials

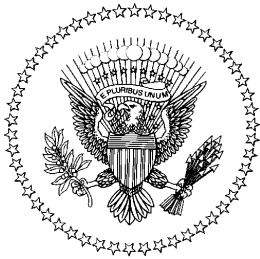
Acts approved by the President—1470

Checklist of White House press releases—
1470

Digest of other White House
announcements—1468

Nominations submitted to the Senate—1469

Weekly Compilation of
**Presidential
Documents**



Monday, July 26, 1999
Volume 35—Number 29
Pages 1387–1470

Contents

Addresses and Remarks

See also Meetings With Foreign Leaders
Camp David, MD, remarks on returning
from—1403
Comprehensive Test Ban Treaty—1424
Democratic Business Council dinner—1432
Democratic National Committee dinner—
1418
Iowa
Amos Hiatt Middle School in Des
Moines—1387
Senator Tom Harkin
Dinner in Des Moines—1392
Reception in Des Moines—1397
Kennedy, John F., Jr., disappearance of
aircraft—1403
Legal community representatives—1426
Michigan
Medicare, conversation in Lansing—1453
Overflow crowd in Lansing—1466
Patients' Bill of Rights—1391
Radio address—1401
Women's Leadership Forum dinner—1432
Women's World Cup soccer champion U.S.
team—1405

Bill Signings

Y2K Act, statement—1431

Communications to Congress

Albania, emigration policies and trade status,
message transmitting report—1415
Deployment of military forces for stabilization
of areas of the former Yugoslavia, letter
reporting—1416
Education, letter on proposed legislation—
1417
Iraq, U.S. national emergency, message
transmitting notice—1438
Libya, U.S. national emergency, message
reporting—1415

Communications to Federal Agencies

Delegation of authority, memorandum—1405
Military compensation, ninth quadrennial
review, memorandum—1437

Executive Orders

Further Amendments to Executive Order
12757, Implementation of the Enterprise
for the Americas Initiative—1467

(Continued on the inside of the back cover.)

Editor's Note: The President was in Cincinnati, OH, on July 23, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under

regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for \$80.00 per year (\$137.00 for mailing first class) and to foreign subscribers for \$93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is \$3.00 (\$3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

Contents—Continued

Interviews With the News Media

- Exchanges with reporters
 - Iowa, Des Moines—1391
 - Rose Garden—1424
- News conferences
 - July 19 (No. 178) with Prime Minister Barak of Israel —1406
 - July 21 (No. 179)—1438

Joint Statements

- Joint Statement by President Clinton and Prime Minister Ehud Barak—1412

Meetings With Foreign Leaders

- Israel, Prime Minister Barak—1403, 1406, 1412

Notices

- Continuation of Iraqi Emergency—1437

Statements by the President

See also Bill Signings

Crime rate statistics—1403

House action

“African Growth and Opportunity Act”—
1392

Republican tax plan—1466

Representative Michael P. Forbes, decision to
join Democratic Party—1402

Senate action on hate crimes legislation—1467

Senate inaction on nomination for Assistant
Attorney General, Civil Rights Division—
1453

Supplementary Materials

Acts approved by the President—1470

Checklist of White House press releases—
1470

Digest of other White House
announcements—1468

Nominations submitted to the Senate—1469

Week Ending Friday, July 23, 1999

Remarks at Amos Hiatt Middle School in Des Moines, Iowa

July 16, 1999

The President. You know, when Tom Harkin said that anybody with any sense would take their coat off—[*laughter*—I didn't know whether that meant I didn't have any sense or he just gets hot under the collar quicker than I do. [*Laughter*] Actually, I think the answer is a lighter suit.

I am delighted to be here, and I thank you all for your wonderful welcome. And I don't mind that it's a warm one. I always love coming to Iowa, coming back here to this wonderful city. I want to thank Ruth Ann Gaines for her dedication and her remarkable remarks this morning. I want to say that as long as young people like Catherine Swoboda are exhibit A for Iowa education, this country is going to do just fine. I thought she was terrific.

I thank Secretary Riley for coming with me. Many of you in Iowa may not know it, but Dick Riley and I began our careers as Governors together 20 years ago this year, and we've been working at education for a long, long time. I think that history will record that he is the finest Secretary of Education this country has ever had. And I'm very grateful to him, and I thank him.

I would like to thank Superintendent Witherspoon and your principal, Gary Eyerly, for welcoming us to this school. And I want to thank all the public officials who are here. I know in addition to the Governor we have Lieutenant Governor Pederson, Attorney General Miller, Secretary of State Culver, and State Treasurer Fitzgerald. They're all over there. I thank them for joining me today. And Senate Minority Leader Michael Gronstal, thank you all for being here.

I'd like to say a special word of appreciation to my good friend Congressman Leonard Boswell, who is also a stout sup-

porter of education. And I think it is appropriate that he's here because he's here with his wife, Dody, and I'd like to her to stand, because yesterday she retired as a teacher after 31 years. Thank you very much, bless you. Thank you. [*Applause*]

And I want to acknowledge that Ruth Harkin is here with Tom today, and to tell you that for most of my administration she was a very valuable member of the Clinton-Gore team and played a major role in our economic programs. And I want to thank her.

And finally, let me say that, as you can see, every time he talks, there is no one in the United States Senate who is more passionate about what he believes than Tom Harkin. And he believes in the education of our children. It's easy to understand why, from his own experience. Most of you probably know that his father was a coal miner who didn't finish the eighth grade; his mother was an immigrant with little formal education. Thanks to an ROTC scholarship, he put himself through college. Now he sits next to a Rockefeller in the United States Senate. [*Laughter*] It's America, and Tom Harkin is the best of America.

You know, I must say, Jay Rockefeller always hates it when we do that to him. [*Laughter*] He is also a very good man. And you heard Tom Harkin say that because of his efforts, Iowa will receive another \$10 million this year to help renovate schools. But I want to do that for all our schools that need it.

I want to thank some people who are involved in this issue who are not here today: Congressman Charles Rangel, the House sponsor of our school bill; the many members of the AFT, the NEA, the Council of Great City Schools; the building and construction trades who have fanned out to Philadelphia, New York, New Orleans, Buffalo, Houston, Chicago, and Miami today to roll up their sleeves and help communities begin to repair their neediest schools.

You know, it is ironic that we're here talking about this school issue, because we are in America in the last year of the 20th century, in this millennium, enjoying the longest peacetime economic expansion in our history, nearly 19 million new jobs in the last 6½ years, the lowest unemployment rate in 30 years, the lowest crime rate in 26 years, the lowest welfare rolls in 30 years, the lowest minority unemployment ever recorded, the highest homeownership in history.

Here in Iowa, unemployment is a whopping 2.6 percent. Homeownership is almost at 75 percent. Wages are rising nationwide for the first time in 20 years for all classes of workers, and even faster here. I feel good about that. I feel good about the fact that compared to 6½ years ago the air and water are cleaner, the food is safer, and 90 percent of our children are immunized against serious childhood diseases for the first time in the entire history of our country.

I feel good about the 100,000 young people who have signed up to serve their communities in AmeriCorps and earn money to go to college. I am grateful, with the help of people like Tom Harkin and Leonard Boswell, that this administration has been able to preserve or set aside more land for the American people and our children's future, from the California redwoods to the Mojave Desert to the Florida Everglades than any administration in history, except those of Franklin and Theodore Roosevelt. I am grateful for all of that.

But what I came here to ask you is, what are we going to do with our prosperity, and what are we going to do with our surplus? This is a time of confidence and pride. But, as many people have said, the time to fix the roof is when the Sun is shining. And that is literally true in the case of school construction.

Are we going to develop some sort of collective amnesia and pretend that these times have always been here, always will be here, and we can do whatever we want to do that feels best in the moment, or seems most politically popular? Or are we going to think about the children here and the 21st century and what America will be like 10 years from now, 20 years from now, 30 years from now,

when they will have children in these schools?

That is what I want to say. You know, you folks should be glad to see me in Iowa. I'm the only guy that's been here in weeks that's not running for anything. [Laughter] What I am doing is trying to think about everything we can possibly do in these last days of this century. The Clinton-Gore administration is not running out the clock, hoping the good times will last. We are trying to push the ball down the field. We are trying to think about what it takes to build that bridge to tomorrow that all our children can walk across, what it would take to give opportunity to all of our people, to build a community of all of our people, to maintain our Nation's leadership for peace and freedom and prosperity around the world, to look at the long-term challenges.

I'll just mention three today, to get to the school construction issue. But you have to understand where the school construction issue is; you have to see it as a part of the big debate going on in Washington: What are we going to do with our prosperity? How should we handle this surplus, the one we have today and the one we're projected to have tomorrow? Otherwise, you couldn't begin to figure out why in the world we just don't do this. I mean, you must all be sitting out there thinking this is a no-brainer, just from what everybody else has already said before I got up here.

I believe that when you look at where we were just 6½ years ago, we had quadrupled the national debt in 12 years. The deficit was \$280 billion. It was projected to go to 380 this year. Now we have the biggest surplus we've ever recorded, and we're projected to be able to maintain those surpluses into the future, indefinitely.

Now, every farmer here knows that nobody can predict the future. That does not mean that every year we'll have exactly what is predicted. What it means is, if we have predictable economic performances, which is every so often we'll have a downturn, and then we'll have an upturn, then we'll have a downturn, then we'll have an upturn, on average, we will produce the surpluses we project to produce over the next 15 years. That's what it means. These projections are

not based on everything will be hunky-dory every day of the next 15 years. So they're not unrealistic.

But we have to decide—since we haven't been in it—did you ever think when I was here running in '92 we would be back here having a debate about what to do with the surplus? [*Laughter*] This is a high-class problem. But it's just as important to get the answer to a high-class problem right as it is to one that you wish you didn't have to deal with. It's not like going to the dentist. But if we don't handle it right, we'll be going to the dentist and nobody will give us a shot to deaden the pain. We have got to deal with this issue in the proper way.

Let me just mention three things. We have to deal with the aging of America. Iowa has got a high percentage of people over 65. The number of people over 65 will double in 30 years. The older we get the more people that will be drawing Social Security and Medicare and the fewer people will be paying into it. This is not rocket science; this is basic math.

I believe before we pass a big tax cut we should save Social Security and Medicare and add a prescription drug benefit to Medicare for the 21st century so that—[*applause*—why? That's going to save everybody a lot more money in the long run than a tax cut. What's going to happen? What's going to happen if we don't? This is not just about the elderly. I'm not just looking out for the baby boomers that are going to retire in a few years. You know what will happen.

How many family stories do you know right now where parents with little children are also taking care of their parents, because it's the right thing to do? But we have Social Security and Medicare so that we can balance the responsibilities of the generations and so that families can take of their own needs and look to their children as they go along. So this is not just about the elderly. This is about the children and grandchildren of the baby boom generation.

The second thing we ought to do is take care of the economy. And I would like to mention just two things, one of which you know very well. One is, there is still a lot of places in this country that aren't participating in the economic recovery. The big problem on the farm is we've had 4 years in a

row of worldwide record harvests for the first time in history and an economic collapse in 1997 in Asia, so markets shrink, the products go, prices collapse.

Audience member. Freedom to farm—

The President. Exactly right. As Senator Harkin and I warned—Congressman Boswell and I, we were all three laughing about it—we said, you know, the people who put in that "Freedom to Farm Act" acted like there never would be a bad year on the farm. And now last year we dealt with it. Today I'm going to meet with some of your farmers, and we're working on it. The Vice President called me after he had a chance to meet with some farmers here this week, and we talked about it.

But the point I want to make is, you have farmers; you have people in Appalachia; you have people in the Mississippi Delta; you have people who live on the Indian reservations; you have people who live in the inner cities; and even though we're doing better than we've ever done, there's still a lot of people who aren't part of this train. And there are ways to give everybody a chance who's willing to work to be a part of it. That ought to be something we do with our prosperity. We ought to give everybody who's willing to work a chance to be a part of that prosperity. And I think it's very important.

One thing we can do that will help the economy more than anything else is, if we adopt the plan I put out to save the majority of the surplus for Social Security and Medicare, since it's not needed now—while we save it we can pay the debt down so much that by 2015, in 16 years, for the first time since 1835, this country can be out of debt.

If you're a middle class person, why should you worry about that? Because if we're out of debt it means lower interest rates; higher investment; more jobs; higher wages; lower college loan, credit card, car payment, and home mortgage rates. It means a more stable world economy over the long run. It means a better environment for farmers and manufacturers and everybody else. It is a good thing to do.

Now, what I want to tell you is, we can do all that and still have a tax cut and still invest in education. But we cannot pretend that there are no consequences to proposing

a tax cut that will cut education and prevent us from saving Social Security and Medicare and mean we can't pay off the debt and we can't do these other things. There are choices to be made, and we should be thinking about the children and the future. And as we have proved the last 6½ years, when you do things that are right for the long run, often they turn out to be right for the short run, as well.

And so I say to you, this school issue is a part of this debate, this school construction issue. We propose a tax cut to help people save for retirement, take care of long-term care needs of their family, take care of their child care needs, and also to induce people to invest in more school construction with a big tax break. It is very, very important.

And you've already heard about Iowa's needs. You've heard Secretary Riley talk about America's needs. In spite of all—what you have to understand is, the school enrollments, as big as they are, are fixing to explode. And we've got to do some things about it. We've got to do what Governor Vilsack wants to do everywhere in America. Hardly anybody has done as well as he has. We've got to hook up all the classrooms in the country to the Internet. And we've got to have teachers to go into the classrooms—2.1 million are going to retire over the next few years. Dody is the beginning of a wave in America. And we've got to find young people to go in there and take their places. And we've got to have good facilities for people to visit, to learn in.

You know, I can still remember every schoolroom that I ever was in in my life. And a lot of old schools can be modernized, but when you've got kids—I've been to school districts, literally, literally, with one elementary school with 12 housetrailer out behind it. Not one or two. Twelve!

So we have to deal with this. And there are serious consequences to not dealing with it. Now, if our school construction initiative passes as a part of our tax cut proposal and our education program, it will help communities have \$25 billion over the next 2 years for school construction. That's enough to build or modernize 6,000 schools.

Now, if you compare that to the Republican proposal you will see that their plan is 644 schools. Ours is nearly 10 to 1. So some-

body can say, well, we have a school construction proposal—6,000 is better than 644.

We're having the same discussion about teachers. Last year I was thrilled—in the teeth of an election year, we had a bipartisan agreement to put 100,000 teachers in our schools, because the classes are getting bigger and it would allow us to lower class size in the early grades to an average of 18. We just had another national study come out the other day about how important that can be and how the learning gains can be permanent. And just 2 weeks ago Secretary Riley and I announced \$1.2 billion to help States and local school districts hire the first 30,000 of those 100,000.

But now the majority in Congress wants to back off from that. They have other ways to spend the money. They want to give the money out and not guarantee that it will go to hire new teachers. I feel that if you make a promise in an election year, you ought to keep it the next year, too. If it was a good idea last year, it's still a good idea.

So I say to you, these are two things that we ought to do. We need to do this school construction program. We need to finish the work of hiring 100,000 teachers. We need to finish the work that Governor Vilsack has done so much on here of wiring all of our schools. We need to finish these things. It all comes down to this: What do you want to do with this moment of prosperity?

And let me say one thing—you know, Washington tends to be a more partisan place than most places in America—maybe than anyplace in America. I've done what I could to try to unify this country. Most Americans, whether they're Republicans or Democrats or independents, that have kids in the schools want them to go to good schools.

I'll bet you there are a lot of school elections in Iowa where Republicans and Democrats vote the same way for school bond issues or on educational proposals. This is not always an ideological issue. This should be an issue that brings America together. But issues that unify people in the country have a way of dividing people in Washington. We had the same thing happen with the Patients' Bill of Rights; you probably saw that.

We had this crazy idea, we Democrats did, that everybody in a managed care plan in

America ought to be able to see a specialist if their doctor said they should see one. Or, if they lived in a big city and they got hurt in an accident, they ought to be able to go to the nearest emergency room, not be driven halfway across town. Or, if their employer changed managed care providers while a woman employee was in the middle of a pregnancy or a man or a woman was in chemotherapy, they ought to be able to keep their doctor until the treatment was over.

And if somebody hurts you with a bad decision, you ought to be able to get redress for it. Now those are rights that I enjoy under the Federal Health Care Plan and the Congress enjoys and every Federal employee enjoys. And the Congress—the Republican majority's own budget office said this would add at most \$2 a month to a managed care premium. In the Federal system, it added less than \$1 a month when I put them in.

Now, I don't know, but I believe in Iowa when you go to the doctor's office, they don't ask you if you're a Republican or a Democrat. [Laughter] And I don't believe when the children come to school here they ask you if you're a Republican or a Democrat. These are things that should unify us. And so I ask you to please, please do what you can to talk to all the members of this congressional delegation, ask them to support us on 100,000 teachers, ask them—it's still not too late to pass the Patients' Bill of Rights that gives the rest of you the protections we have in Congress and the White House and the Federal Government. And ask them to make a part of any tax cut plan a school construction initiative that will build or modernize 6,000 schools.

You think about this young woman who introduced me today. I have seen people like her all across America, marvelous kids in the poorest corners of this country—kids in schools that are 75 years old that haven't been fixed, where the kids walk up the steps and they see broken windows every day, where there are rooms, in some cases whole floors they can't even go on. They deserve better.

How in the world can we say to them, we had the most prosperous time in American history; we had the biggest surplus in history; we dug ourselves out of debt; but all we

thought of was ourselves and the next election; we didn't have the time or money or vision to think about you and your future? We are a better country than that. All of us are, without regard to party. Everywhere else but Washington, DC, you would never hear anybody discarding this argument. I implore you, help us to get this done this year. The children of America deserve 21st century schools.

Thank you, and God bless you.

NOTE: The President spoke at 2:25 p.m. in the gymnasium. In his remarks, he referred to 1998 Iowa Teacher of the Year Ruth Ann Gaines, who introduced the President; incoming eighth grader Catherine Swoboda; Eric Witherspoon, superintendent, Des Moines Independent Public Schools; Gary L. Eyerly, principal, Amos Hiatt Middle School; Gov. Tom Vilsack, Lt. Gov. Sally Pederson, State Attorney General Tom Miller, Secretary of State Chester J. Culver, and State Treasurer Michael L. Fitzgerald and State Senator Michael Gronstal of Iowa; Representative Leonard L. Boswell's wife, Darlene (Dody); and Senator Tom Harkin's wife, Ruth, former President and Chief Executive Officer, Overseas Private Investment Corporation. The President also referred to the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127). This item was not received in time for publication in the appropriate issue.

Exchange With Reporters in Des Moines

July 16, 1999

Patients' Bill of Rights Legislation

Q. Mr. President, do you have any reaction to Senator Lott's comments—

The President. I can understand why he'd be uncomfortable about what he did. He denied the American people the right to the patient protections he has. So they feel uncomfortable. But it's not too late; they can still change their position. They ought to think about—it's not a matter of name calling. Their budget office told him it would only cost \$2 a month premium. They've ignored their own budget people; they've now ignored everybody, and they basically signed up with the health insurance companies against all the doctors and all the nurses and all the patients in America and denied other

people what those of us in the Federal Government enjoy. I don't think it's right. But it's not too late to do right.

NOTE: The exchange began at approximately 3 p.m. at Amos Hiatt Middle School. A tape was not available for verification of the content of this exchange. This item was not received in time for publication in the appropriate issue.

Statement on House Action on the Proposed "African Growth and Opportunity Act"

July 16, 1999

I welcome and applaud passage today by the House of Representatives of the "African Growth and Opportunity Act." This historic initiative will set the foundation for a stronger partnership between the United States and Africa. I urge the Senate to act quickly so that we can strengthen the ties between our Nation and a continent on the verge of a new era of democracy and prosperity.

This legislation offers the opportunity for increased trade and investment between the United States and Africa—to the mutual benefit of both. By working with African nations to build their economies, strengthen democratic government, and increase opportunities for all the people of Africa, we will help build strong, capable partners with whom we can work to counter the growing threats of terrorism, crime, environmental degradation, and disease.

NOTE: This item was not received in time for publication in the appropriate issue.

Remarks at a Dinner for Senator Tom Harkin in Des Moines

July 16, 1999

Thank you very much. First of all, thank you, Jerry, for having me in your home. The last time, he took me to his golf club; now, he takes me to his home. I can't wait for my third trip. *[Laughter]*

Thank you, Linda. Thank you all for being here. Governor, thanks for spending the day with me, with your Lieutenant Governor and your distinguished array of officials and the First Lady from the great State of Iowa. I

want to thank Tom and Ruth for giving me the chance to come down here and be with them. I want to say it's wonderful to see Congressman and Mrs. Smith. He did everything he could to educate me about agriculture before he left the Congress, and I did the best I could to learn. I'm a little slow, but he's working on me still. *[Laughter]*

Let me say to all of you, first, I want you to know that I wanted to come here to say thank you to the people of Iowa. We had a big crowd over at the middle school earlier today when we were promoting one of the many initiatives Tom Harkin is identified with, our efforts to get a modest tax cut through that will lead to \$25 billion in construction or modification or modernization of 6,000 schools in this country. And so we were over there, and there were, I don't know, a few hundred people there. And the air-conditioning was out, so the atmosphere was warm and friendly. *[Laughter]* Secretary Riley and I, having come from the Washington heat, felt right at home.

And so, anyway, we were there and having a good time. And I said, "You know, you folks in Iowa ought to be glad to see me; I'm the first guy that's been here in weeks that's not running for anything." *[Laughter]* And I must say, after 24 years, most of which—25 now—most of which time I was running every 2 years, it's a little awkward for me to say that. But I want you to know that I am profoundly grateful to the people of Iowa for being so good to me and Hillary and the Vice President and Mrs. Gore, for voting for us twice, for supporting our policies, for giving us a chance to serve.

And the second reason I wanted to come down here is I love Tom Harkin and I am profoundly grateful. You know, I'm not sure—and this is no offense to the people of Iowa—but I bet you could get elected and reelected Senator from Iowa without being the world's number one opponent of abusive child labor in foreign countries. He just did that because he thinks it's wrong and because he doesn't want children anywhere to suffer when children everywhere should be going to school and growing up to decent lives.

Yes, he's one of the greatest advocates for farmers this country has, and we've got an

earful again today about the terrible dilemmas that our farmers are facing. And there's a general consensus, I think, on what causes it. And Tom and I both said back in 1994 or '5, when they passed that freedom to farm bill, that without a safety net this would happen sooner or later; unfortunately, sooner came before later. And we have to act there, and we will.

He also is perhaps the foremost advocate for the disabled in the United States Senate, perhaps one of the two or three foremost advocates for research and development in new technologies in sciences. There is hardly anybody who serves in either House in the United States Congress that has the combination of wide interest, deep knowledge, genuine compassion, and effectiveness. I have rarely known anyone in public office that I thought was as truly good a person and as truly good a public servant as Tom Harkin. And you are very lucky to have him.

And I just want to say a couple of things. You're going to become—Iowa is once again at the vortex of America's political concerns. And everybody is coming here to tell you how great they're going to be if you vote for them. And one of the things I think we should posit is that most everybody who comes here will actually believe what they say. Having been criticized, as Tom noted inside, fairly mildly for a few years—[laughter]—it has been my observation that most people in politics in both parties actually pretty much believe what they say and believe in what they do and show up every day and try to pretty well do a good job.

Forty years ago this year, I took eighth grade science from a guy who was a coach and a science teacher named Vernon Dokey. Now, to be charitable, he was not the most handsome man I had ever seen. And he knew it. He was—he looked sort of like a grizzly bear that had been through a meat grinder, but walked out. [Laughter]

And he would come—it wouldn't be politically correct to do so today, but in those days it was bearable—he used to smoke these cheap cigars that he had in a cigar holder which he would grit in his teeth like that—[laughter]—and he had this sort of highly prominent, well-chiseled nose, and he was a big, burly guy. And he was not particularly

conventionally attractive. Interesting—he had a beautiful wife who was our social studies teacher, who had a beautiful sister who was my geometry teacher. [Laughter]

And we were 13, and we were crazy, and we were trying to figure out how the world works. So old Vernon Dokey says one day in science class, he says, "You kids won't remember a thing I teach you about science, but I want you to remember some things I teach you about life." He said, "Now, look at me." He said, "I want you to know something. Every morning, I get up, and I go in the bathroom; I throw water in my face; I put shaving cream on; I shave my face; I wash that shaving cream off; I look in the mirror, and I smile, and I say, 'Vernon, you're beautiful.'" [Laughter] And he said, "Now, if you kids remember that, you'll get a lot further in life." [Laughter]

Now, you think about that. Forty years later, I still remember. So if you notice when I fight with the Republicans, no matter how hard I fight with them, I don't question their motives or their patriotism or their love of country. When I think they're wrong, I say they're wrong.

Iowa and New Hampshire, because you go first, have a heavy responsibility to help to render judgment, if you will, for the country about not only candidates but issues. What I want to say to you is that I came to the Presidency in 1992, having been Governor of what my predecessor affectionately called a small Southern State. And I loved every day of it. And to me, politics was about ideas, action, and people. It was not about Washington rhetoric, personal destruction, and who looked good in the morning paper. It was about ideas, action, and people.

And we believed that we could bring new ideas based on old-fashioned Democratic philosophy that everybody who was willing to work for it ought to have opportunity in this country; that we had to change to meet the changes of the time; and that everybody who was a responsible citizen ought to be part of America's community. It was pretty simple, really.

But if that's what was guiding you, then we no longer believed that you couldn't, for example, balance the budget and still increase investment in education; that you

couldn't have a strong and effective Government and reduce the size and burden of Government. When you heard Tom say that the Vice President ran our reinventing Government plan—this is one of those—if you do a survey on this, people say, “I don't care, I still don't believe it.” People do not believe it, but we have the smallest Federal establishment since 1962 when John Kennedy was President. We have eliminated hundreds of programs, and you can't name one of them. I'll give \$5 to anybody in this audience who can name two of the hundreds of programs we have eliminated. And we have a more vigorous, more effective Government.

We've got the longest peacetime expansion in history, the lowest crime rate in 26 years, the lowest welfare rolls in 30 years, the lowest unemployment rate in 30 years, very high wage growth, high business startups, highest homeownership in history, the lowest minority unemployment in history—all that is only evidence of the important thing: All elections are about tomorrow. All elections are about tomorrow. And a good record is only evidence of what will be good in the future—however, very important evidence.

And many of these things we've had to fight with our friends on the other side, and Tom Harkin was always leading the fight. We said we could lower the crime rate, but you had to help these communities put police on the street and you had to take more guns out of the hands of criminals. Well, they said, “If you try to put 100,000 police on the street, it wouldn't make a lick of difference. And if we checked the backgrounds of people that tried to buy handguns in gun shows, all you would do is make the hunters mad, and criminals didn't buy guns at gun shows, anyway.” Well, years later, we haven't inconvenienced a single hunter, and 400,000 people—400,000 people—were not able to buy guns, because of their criminal backgrounds, at gun stores. So our arguments were right, and theirs were wrong.

They said we couldn't balance the budget, and we were going to provoke a recession. But we balanced the budget, biggest surplus in history, and we doubled our investment in education while we were doing it. So we have evidence here.

So I say to you as you think about the future of your State and Nation, there is evidence here. And what I want to say to you is, Tom Harkin and I—I'm not running for anything and he's not running for anything right yet—[laughter]—but we and all the people that are running who are in public office, we're still drawing a paycheck from you every 2 weeks, and we should show up for work, and we should do things. I tell all the Republicans and Democrats in Washington all the time, if we agreed on everything I'm asking us to agree on, there would still be stuff for us to fight about. There will always be something to have a next election on. But we get hired to show up for work.

Now, the big question we have before us today is: What are we going to do with the surplus; what are we going to do with this period of bounty we have? And I would argue—I don't want to repeat my whole State of the Union Address, but I want to tell you, I would argue three things for sure. Number one, we ought to do whatever we can to deal with the aging of America, because when the baby boomers retire, we're going to have more people retired and fewer people working to support them. And if you want the seniors of this country to be able to have their Social Security and their Medicare, and you want them to have it in a way that is secure and does not bankrupt their children so they can't afford to raise their grandchildren, now is the time to set aside most of this surplus to save Social Security and Medicare and provide a prescription drug benefit with Medicare. So I think that is a big deal.

The second thing I think we ought to do is everything we can to keep this economy going and then, to reach out and touch the people who have not been affected by the recovery. And let me just say on the first, the way I want to save Social Security and Medicare will keep us from spending that surplus and devote the interest savings on the surplus to making Social Security last longer, so we'll make Social Security last for more than 50 years, make Medicare last for more than 25 years, and make the country debt-free in 15 years, for the first time since 1835. Now, these are big things. We should not wait for another election to deal with these big things.

On the economy, the last thing we've got to do is to try to reach the people that aren't affected by the recovery. There are a lot of disabled people, as Tom would tell you, who want to go to work and could go to work. There are still people on welfare who want to go to work, who could go to work. There are whole regions of our country—from Appalachia to the Mississippi Delta to the Indian reservations to the inner city—that need new investment. And of course, there is the problem of the farm, which you are very well familiar with.

But consider the irony of the lowest unemployment rates in the country being in Iowa, North Dakota, South Dakota, all these farming States where we're at risk of losing a huge percentage of our family farmers unless there is both an emergency response and a different long-term course that they have available. So I say to you, yes, have the election; yes, have the debate; but let's keep on working for what's good for America, and let's not avoid the big choices, let's not pretend that we don't have to make them.

We're in the shape we're in today because we made the tough choices and we kept at it, and that's what the country needs to do. And that's the gift I want to give you, is that when you see me, you think I'm working and not enjoying the sunshine of our prosperity.

The last point I want to make is this—I thought about this today when I was in Iowa. Politics is really personal to me. You know, in this debate we just had over the Patients' Bill of Rights, several doctors who are here today thanked me for that, thanked Tom for fighting for that. Look, here's the issue: More people than not are in managed care plans. A lot of them have done a lot of good; they've cut down on a lot of inflation and health care costs. But if your doctor says you need to see a specialist, no accountant should be able to stop your doctor from sending you to a specialist. If you get hit in an accident, you ought not to have to go by the nearest hospital to one that's farther away because that's the one covered by your managed care plan. Now, if you are working for a small business and your small business—your employer has to change coverage at some point and you're 6 months into a difficult pregnancy, you ought not to have to

get another ob-gyn to finish your pregnancy. If you are halfway through a difficult chemotherapy treatment, you ought not have to get another oncologist to finish your treatment. Now, every physician in this audience will tell you this happens all the time in America. This is not some radical notion; this happens all the time. So all we said was that basically everybody in America ought to have the same protections that I gave all the people in the Federal programs—Medicare, Medicaid, the Federal health employees program, the veterans program—by Executive order. And we were actually attacked by our friends in the other party. Tom was attacked, because, they said, "Oh, you're relying on personal stories. You're trying to play on the emotions of the people." Well, get a life. *[Laughter]* I mean, what is politics about anyway? Why are we doing this?

Every time I come to Iowa, I think of two things. One of them I got hit right between the eyes with today. When I was here for the flood in 1993, I'd go out to sack my—you know, my sandbags, you were talking about that—I'd go out and do my sandbag deal. And I look up, and there is this child about so big, with a head about so big—huge bones coming out of her eyebrows—very short, large head, knobby elbows, gnarled knuckles, knobby knees. This child has brittle bone disease. She's 12 years old. She has been operated on already more than a dozen times. Her bones shatter at will. She has come all the way from Wisconsin to stand in the flood in Iowa to help people who are putting the sandbags up, literally risking her life.

So I talked to this kid and I said, "Where are you from?" And she said—and I said, "Well, how's your condition?" Because I've seen—you know, she's actually done pretty well. There are a lot of children who have that disease never get out of bed, they have to be prone for their whole life. But this kid is up walking. She said, "I told my parents I wanted to go down there." She said, "I can't hide my whole life. I've got to serve; I've got to be a citizen; I've got to do this like everybody else."

Then that child started coming to the National Institutes of Health for help. Tom Harkin—you know, all this money is put in

the NIH all these years. So am I playing on your emotions? You bet I am. What else is there? What else is life about? What is politics about? This child has a chance at life.

And you know what happened? Six years later I go to American University and give a speech, and here is this girl, beaming, a freshman at American University, still growing, still getting stronger, still out there taking chances, doing things other kids wouldn't do with those problems, being brave. We didn't—none of us—Tom Harkin and I didn't have a lick to do with her courage, her bravery, her heart, her soul, her character. But because of what he did, she had a better chance. She had a better chance.

And I'll tell you another story: 1992, Cedar Rapids, Iowa, huge rally we're having out in front of Quaker Oats. And I'm working the crowd—[laughter]—after the speech, grasping for votes. And there is this lady there, this tall white woman, holding an African-American baby. And I said, "Whose baby is this?" She said, "This is my baby." And I said, "Well, how did you get this baby?" She said, "From Miami." She said, "This child was born with AIDS, and no one would take her, and she was going to be homeless, and so I took her."

Now, this is a good story, right? But what you need to know is this woman was living in a rented apartment with her two kids because she had been left by her husband. And she barely had enough money to support her own kids, but she couldn't bear to see this child be left alone, so she took in the other child. Okay, fast-forward to today. Today, at that middle school, Mama was there, since remarried, doing fine, with her daughter, giving me a report on her son, holding that beautiful child who is almost too big for me to hold. And she has come repeatedly to the National Institutes of Health.

And I held her today, and I said, "Jimiya, how you doing?" She is so beautiful. And I have seen her a half a dozen times. She is so beautiful; and she said, "Oh, Mr. President, I'm giving myself my own shots, now and I'm going to be just fine."

Now, is this playing on your emotions? You bet it is. What is life about anyway? Tom Harkin didn't put a heart in that little girl or a heart in the mother. But she has a

chance because of the kind of things he's fought all his public life for. And it is a beautiful story.

So I just ask you to be faithful to your friend Tom Harkin, to fight for the things we believe in. If your friends and neighbors wonder whether the President is right or whether the Republicans are right in saying we ought to take all the non-Social Security surplus and spend it on a tax cut right now and make everybody happy right here before the election, tell them that you think we have earned the benefit of the doubt with our record, and that, you know, we should not squander this. We ought to think about our children's future. We ought to think about what we're going to do when the baby boomers retire. We ought to think about how we can make everybody a part of this economy. And remember the stories. That's part of what makes us who we are.

It's not about power. It's about ideas and action and, in the end, it's about people. When you breathe your last breath, you are not going to be thinking about what some arcane political philosophy was that you embraced. You're going to be thinking about who you liked, who you loved, how you felt when the seasons changed, and what you're proud of that you did for somebody else. And I want to be part of a political party that tries to give those gifts to America.

Thank you very much.

NOTE: The President spoke at 7:35 p.m. at a private residence. In his remarks, he referred to dinner hosts Jerry and Linda Crawford; Gov. Thomas Vilsack of Iowa, and his wife, Christie; Lt. Gov. Sally Pederson of Iowa; Senator Harkin's wife, Ruth, former President and Chief Executive Officer, Overseas Private Investment Corporation; former Congressman Neal Smith and his wife, Beatrix; American University student Brianne Schwantes who suffers from brittle bone disease; and Laura Poisel and her adoptive daughter, Jimiya, who was born with AIDS. The President also referred to the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127). A tape was not available for verification of the content of these remarks. This item was not received in time for publication in the appropriate issue.

Remarks at a Reception for Senator Tom Harkin in Des Moines

July 16, 1999

Thank you very much. First of all, I'm delighted to be in a true Iowa museum, the place where Tom Harkin went to his high school prom. I'll tell you, he is a silver-tongued devil, but when he started talking about bringing the love of his life to the high school prom, old Ruth said, "I don't know how he is going to get out of this one." [Laughter] Sure enough, there he was on his feet again, before you know it. [Laughter]

I want to thank many of you for many things. I want to thank my good friend Secretary Dick Riley for coming with me today and going to the school in Iowa and talking about the need to build or modernize thousands of new schools for America's children for the 21st century. I thank him. I want to thank my great friend, and Hillary's great friend, Congressman Leonard Boswell for going around with us today and for representing Iowa's farmers and workers and educators and children so well in the House of Representatives. And Dody, thank you for your 31 years of teaching. Thank you very much. Thank you, Rob Tully, for your role in making it fun to be a Democrat again in Iowa. Thank you. Thank you, Lieutenant Governor Sally Pederson, for your leadership. And thank you, Jim Autry. And I'm glad you got a better office because you deserve it, Sally. Thank you. And I want to say to Governor Vilsack and to Christie, this has been a very impressive administration to watch from afar.

We were—everybody in the White House—Hillary and Al and Tipper and I and all of us who work there—we were thrilled when Tom was elected, and we have been so impressed by his intelligence and his energy and his direction and his leadership, and it's just quite amazing to watch unfold. You know, you could elect him for 32 years if you like and still be just trying to get even with the Republicans.

I want to thank Ruth Harkin for her service in our administration which she left for more lucrative fields, but I hope not more rewarding one. She did a wonderful job. Yes, give her a hand. [Applause]

I'm here basically for three reasons tonight. First, I want to thank the people of Iowa for being very, very good to me, to Hillary, to Al and Tipper Gore, to our whole crowd, for voting for us twice, in '92 and '96, for making us always welcome, for always telling us what was going on here and in the heartland of America. I will never forget that. I have been here a lot, and I have loved every trip.

We had several hundred people at the school we visited earlier today, and I told them all they should actually be quite glad to see me because I was the first person who had been here in weeks and weeks who wasn't running for everything. I just wanted to come see you and say hello and see how you were getting along.

The second thing I want to do is to thank Tom Harkin. You know, I didn't say this at the other place—Governor Vilsack asked me to repeat my speech. Since I didn't write it down, I have hardly any idea what I said; it's going to be hard to do. [Laughter] I want to tell you something. When Tom Harkin and I entered the primaries in '92, my mother was really the only person who thought I was going to win, and you know, we had this sort of spirited race, and I didn't come to Iowa because I didn't think I should, because you all were for him, and you should have been.

And I sort of admired Tom Harkin from afar, but you really get to know a person—and he—in Iowa you get to know a person, but you get to know a person if you just kind of travel around and you're out there, you're bone tired, and you're still trying to make one more speech, shake one more hand, go to one more forum. And then I was fortunate enough to be elected. He didn't have to do anything for me. I want you to know that on every bright and dark day of the last 6½ years, my wife and I have not had a better friend in the United States Senate than Tom Harkin. And I will never forget it.

I want you to know—I also want you to know, even more important, for everything that we have fought for that has made this a better, stronger country, that has given children a better future, that has helped to bring us together as one community, there is nobody in the Congress that has a better combination of intelligence and experience and

heart and sheer ability to get things done than Tom Harkin. He is a precious asset for Iowa and the United States, and I am glad you are here to support him tonight.

He was very generous, he talked about me going to Switzerland to speak for the children all over the world who are the subject of abusive child labor. It's the sort of thing a President is supposed to do. But a person could be elected and reelected Senator from Iowa and never say anything about abusive child labor around the world. Tom Harkin was out for that issue a long, long time before I was. I was there because of Tom Harkin and his leadership.

And today the Governor and Leonard and Tom and I, we sat around and we met with some farmers—and I want to say more about that in a minute—but we know we've got a terrible problem in farm country all over America. And you can be sure that when something is done to help America's farmers, Tom Harkin will be in the forefront of that. He won't be in the forefront of that. He won't be dragging up the rear; he'll be there pushing everybody to do more, to do better, to think through it. And he'll be—every time somebody wants to do something that doesn't make a lick of sense based on decades of history on the farm, he will be there to remind people to do the right thing by America's farmers.

You know, he says I've been a good President for the disabled of America. I hope I have been. But if I have been, half of it is because of what I learned from Tom Harkin.

Let me just close with this—because I hope you will think about this as caucusgoers, but also as American citizens. You have to ask yourself, why are you here tonight? Why do you have the political views you have? What really matters to you? What do you think politics is about? Is it about money and power, primarily, and the kicks you get if you get invited to the White House or the statehouse or whatever? Or is it about what I think it's about?

I'll tell you what I think it's about. I think politics is about ideas and action and people. And I believe that the reason the country is in the shape it's in today is in no small measure because we had a different set of ideas. We really believe that we could create

an America in the 21st century with opportunity for every person responsible enough to work for it, an America that was a community of people who were very different but had a common citizenship and a common humanity, an America that was leading the world toward peace and freedom and prosperity. We believe that. And we believe that we could go beyond the paralyzing debates that had put this country in a terrible hole in 1992, when we were out there running.

We thought you could improve the economy and improve the environment. We thought you could make it so people would succeed at work without being able—and still be able to succeed at home in the most important job any American has, raising children. We thought that you could be tough on crime without giving up personal liberty. We thought that you could have sensible gun control without interfering with people's right to hunting and fishing and sporting season. These are things we thought.

Now, we thought we could balance the budget and increase our investment in education. We thought we could cut the size of Government and increase its effectiveness and its impact in ordinary people's lives. And every step of the way, we were opposed by people who believe differently. And what I want to say today is that, yes, I'm glad that we've got 19 million new jobs, the longest peacetime expansion in history, a 30-year low in unemployment, a 30-year low in the welfare rolls, a 26-year low in the crime rolls, the highest homeownership in history, the lowest minority unemployment in history. I'm glad for all that. I'm glad. But at this moment, I tell you that the people hire us to win for them tomorrow. And if we did a good job yesterday, most taxpayers think that's what they were paying us to do.

And the reason I say that is, I am very grateful that I've had the chance to be your President and grateful that I have had a chance to be the instrument of this. But what we need to think about is, what are we going to do tomorrow? What are we going to do tomorrow? And in particular, what is our obligation at this moment of enormous prosperity when we went from having the biggest deficit in history in 1992 to the biggest surplus we've ever had? What are we going to

do with it? What are we going to do with this opportunity? And there are big decisions to be made here.

Tom Harkin and I are on one side and most of our friends in the other party are on the other side. But let me just mention three things, because you want to have fun tonight and you don't want to have a serious talk, but I want you to think about three things. Number one, I'm the oldest of the baby boomers, and when we retire there's going to be a whole bunch of us retired, and there will be more people retired and fewer people working than ever before, and we had better use this surplus now to save Social Security and modernize Medicare for the 21st century.

Number two, as everybody who knows—a farmer knows—not everybody who is a part of this country has participated in this recovery. From Appalachia to the Mississippi Delta to the Indian reservation to the inner city to the farm to the disabled and welfare populations who still want to go to work, we can't quit until we put everybody on a track to opportunity in this country. And if we set aside most of the surplus for Social Security and Medicare, we can, in 15 years, be debt-free for the first time since 1835. That's what we ought to do.

And finally, we ought to give our children a better future. We ought not—we ought not to squander this surplus in a way that has not enabled us to invest in world-class schools, connecting the classrooms to the Internet, world-class teachers and enough of them to do the job, education. Save Social Security and Medicare first, pay down the debt, take care of education, then give the country a tax cut. That's what we believe. That's good for the future.

Now, what I said was—what I said over there at the other place that I just want to say is, I noticed in the debate over the Patients' Bill of Rights, where the Republicans won the battle in defeating our attempts to give every American the right to see a specialist, go to the nearest emergency room, stay with the doctor through treatment, but we will win the war—you—work.

But in this thing—during this debate, the Republicans, were actually making fun of the Democrats for talking about stories, human

stories of people who had been hurt because we don't have a Patients' Bill of Rights, and they acted like there was something wrong because a lot of them think politics is about power and position. But we think it's about ideas, action, and people.

I saw a little girl today at that school that I first met in Iowa in 1992, an African-American girl being held by a white woman in a rally in Cedar Rapids. And I asked this mother, I said, "Whose child is this?" And she says, "This is my baby." And I said, "Where did you find this baby?" She said, "This baby was born in Miami with AIDS, and no one would take it, so I did."

And I came to find out this woman was divorced; her husband had left her; she was raising her own two children with modest income; but she cared enough about a child she had never known of another race, afflicted with AIDS, to take this child into her home. Today, at that school, that child was in the audience. She is tall; she is beautiful; she got up in my arms, and she said, "Mr. President, I can give myself my own shots now. I'm doing well in school, and I'm doing well." And she has gone—the reason she is still alive is in these 6½ years since I first saw her mother holding her—7 years now—she's been able to come to the National Institutes of Health and get good health care, even though she comes from a family of modest needs. Why? Because of the leadership that Tom Harkin has exercised over the years for health research and other research.

Now, this is a story—am I trying to affect your emotions? You bet I am. Is that wrong? No. This is what politics is about to us. When I see nurses weeping, weeping because the insurance company tells them that the doctor they worked for can't send a patient that is sitting there in front of them to a specialist to save their lives—is that somehow illegitimate to make laws based on those stories? No. That's what counts in life. What we care about is our relationships with each other, whether we've all got a chance to live out our dreams and live up to our God-given potential.

I told another story. When I was here in the flood in '93, I met a little girl when I was putting those sandbags up that wasn't even 5 feet tall. But she was already 13 years

old. And her forehead was real big and bony, and her elbows and knees were prominent, and her knuckles were, because she lived with brittle bone disease and had already had more than a dozen operations in her life, and could have broken all the bones in her body sitting there working with the people stacking sandbags. And she came all the way from Wisconsin to do it, because she wanted to be a good citizen. And she told her parents she couldn't hide in her life; she had to do something; there was a flood, people needed her help, and even though she had bone after bone after bone after bone broken in her body, she showed up like everybody else to be a good a citizen in Iowa when the flood came.

Now, just a few months ago, I had a rally at American University in Washington, DC—the same girl was there, a freshman in college, with all of her roommates—up there, still be a good citizen, showing up. Now, why do I tell you that? And that child made several trips to the National Institutes of Health in the last 6½ years, becoming stronger.

Now, did Tom Harkin have anything to do with the character of this child? No. Did he have anything to do with the heart of the other little girl with AIDS? No. Did he affect the mother with her generosity and her love? No. But did he do things as an elected representative of you that gave those kids a chance to have better lives and make this a better country? You bet he did. You bet he did.

So I tell you, people ask why you came here, why you support Tom Harkin, why you're a member of our party. Tell them you believe that politics and citizenship is about ideas, action, and people. Power and money are incidental—incidental—to the ability to advance ideas, take action based on those ideas, and help people if your actions turn out to be right.

Now, all of you young people, I can tell you, I just celebrated—Sally was talking about her 30th high school reunion—in a couple of weeks I'm going to have my 35th. And I want you to know, by the way, I don't know if I can go to this one because of the efforts we're making in the Balkans, in Kosovo. But if I miss it, it will be the first one I've ever missed. And I want to encour-

age you not to miss yours. Why? Because, I'll tell you something, the older you get and the closer you get to the end of your life's journey, the more you know that when it's all over, what you really care about is who you liked, who was your friend in good times and bad, who you loved, how your children were, how you felt in the Iowa springtime and in the fall and the winter and the summer—all the things that make you alive.

Politics, the purpose of politics, is to allow free people to be more fully alive and to help each other have better lives. That's what we believe. And so I say, let them make fun of us for telling our stories. That is all that matters in the end. There is nothing abstract about America. It's a bunch of people who believe in liberty and who believe in each other and who believe that they make life better for their children. It is the story of people. Even George Washington was a person. So you remember that. You remember that.

I'm going to tell you one thing, and I'll let you go. Last week I went to the Pine Ridge Indian Reservation where the Oglala Sioux live. The most famous Oglala Sioux was Crazy Horse, and they're building a great monument to him there, even bigger than Mount Rushmore. But the unemployment there today is 73 percent. Before I went out there, the chief of the Oglala Sioux and a number of others came to see me at the White House, from the high plains, from Montana and the Dakotas. And they had a meeting, and they told me about the problems, the problems in their States on the farm. They told me the problems of the Indians with education and health care and all of that. But we had just come out of this conflict in Kosovo—we weren't actually quite out of it yet. And the chief of the Oglalas stood up in a very dignified manner, and he said, "Mr. President," he said, "we have a proclamation supporting your action in Kosovo against killing people because of their religion and their ethnic background." And he smiled in a very dignified way, and he said, "You see, we know something about ethnic cleansing. But listen," he said, "But this is America." Now listen to this story. He said, "My great-grandfather was massacred

at Wounded Knee." He said, "I have two uncles, one was on the beach at Normandy; the other was the first Native American fighter pilot in the entire United States military." He said, "Now their nephew, me, I am in the White House talking to the President. I have one son"—I later met the boy—"I have one son," he said. "He is more important to me than anything in the world. But I would be honored to have him go and fight for my country against ethnic cleansing in Kosovo. America has come a long way, and we should stop this wherever we can."

Why do I tell you that? That is a story about liberty and freedom and the absence of oppression passing down through the generations. That is the story of America. It is the unending effort to form a more perfect Union, to widen the circle of opportunity, to deepen the meaning of freedom, to strengthen the bonds of community. That's what this guy represents to me. That's what my party represents to me. That's the promise of the Governor's administration to me. That is everything that I have tried to do in these 6½ years. And I am telling you, when you walk out of here tonight and somebody asks you why you were here, you ought to be able to tell them that kind of answer. And you keep fighting for it. And if you do, America's best days will be in the new century.

Thank you, and God bless you.

NOTE: The President spoke at 8:53 p.m. at the Val Air Ballroom. In his remarks, he referred to Senator Harkin's wife, Ruth, former President and Chief Executive Officer, Overseas Private Investment Corporation; Representative Leonard L. Boswell's wife, Darlene (Dody); Rob Tully, chair, Iowa State Democratic Party; Lt. Gov. Sally Pederson of Iowa and her husband, James A. Autry; Gov. Tom Vilsack of Iowa and his wife, Christie; Laura Poisel and her adoptive daughter, Jimiya, who was born with AIDS; and American University student Brianne Schwantes, who suffers from brittle bone disease. A tape was not available for verification of the content of these remarks. This item was not received in time for publication in the appropriate issue.

The President's Radio Address

July 17, 1999

Good morning. I want to talk to you today about a great debate now underway in Washington, the debate over how best to use America's recordbreaking budget surpluses. That we can even have this debate is remarkable. Just remember, 6½ years ago, when I first became President, we faced budget deficits that were \$290 billion and rising. In the previous 12 years, those deficits had quadrupled the total debt of America.

But beginning in 1993, we put in place a new economic strategy of fiscal discipline, coupled with greater investments in areas like education, training, and technology. That strategy has helped to produce a private sector-led economic expansion of historic proportions. It's also produced not only a balanced budget but budget surpluses of \$99 billion this year and a projected surplus over the next 10 years of about \$2.9 trillion, including Social Security taxes.

Now, America must decide how best to use the fruits of our hard work. I believe we should stay with the fiscal discipline that got us here and invest the surplus to meet our long-term challenges. That's why I've proposed that we set aside the vast bulk of this surplus to protect and secure Social Security and Medicare and to modernize Medicare by adding a long-overdue prescription drug benefit.

By saving most of the surplus for Medicare and Social Security, we can also pay off all our publicly held debt by the year 2015. That would make America debt-free for the first time since 1835. What would that mean? It would mean lower interest rates, more business investments, more jobs, higher wages, lower car payments, lower house payments, lower credit card payments, lower student loan payments.

Now, my balanced budget would do this, while increasing investments in areas like education, technology, the environment, and defense. It would also offer a quarter of a trillion dollars in targeted tax cuts to help middle income families meet the crucial

needs for child care, for long-term care for aging relatives, for saving for their own retirement, and tax cuts for inducing people to invest in building modern schools or rehabilitating those that exist now, and for investing in the areas of our country which have not yet fully participated in our recovery.

But my plan puts first things first. It says, first strengthen Social Security and Medicare and pay down the debt, take care of the baby boom retirement, take care of our families and our children, take care of the long-term challenges to America. Then, we can allocate the rest of the surplus for other spending priorities like education and for tax cuts.

Unfortunately, the plan the Republican leadership put forward this week does not do that. Their plan would devote virtually all the non-Social Security surplus, nearly \$1 trillion, to a tax cut, while failing to extend the solvency of Social Security and Medicare even by a single day. The plan also doesn't go far enough in paying down the debt, which will mean higher interest rates and a weaker economy down the road. And it would force drastic cuts in areas where we should be investing more.

In education, for instance, I've proposed an education and children's trust fund that will, among other things, guarantee our ability to hire 100,000 new highly trained teachers to lower class size in the early grades. Yet early next week, the House Republicans will offer legislation that would go back on the bipartisan commitment both Republicans and Democrats made just last year to the American people to hire those 100,000 new teachers. We've hired 30,000 now, or we've given the States and school districts the money to do that. We shouldn't go back on a commitment that we made last year; that's the wrong way to go. But that isn't the worst of it.

Republican leaders have estimated their tax plan would cost more than three-quarters of a trillion dollars between now and the year 2010. What they haven't said is what it would cost after 2010 when the baby boomers retire and the need for revenues for Social Security and Medicare will be most acute. Earlier this week, I asked the Treasury Department to analyze the Republican plan's long-term im-

pact. And the answer I've received is quite disturbing.

According to the Treasury Department's preliminary estimate, the costs of the Republican plan will explode between the year 2010 and 2019 from \$1 trillion a decade to an unimaginable \$3 trillion. At the very time the Nation will be confronting the demographic challenge of the baby boom, the Republican plan will blow a \$3 trillion hole in the Federal budget, threatening our ability to secure Social Security and Medicare for the next generation and risking return to the era of deficits with high interest rates and economic stagnation.

Tax cuts that size quite simply are bad economic policy. It's bad not to save Social Security and Medicare; it's bad not to pay the debt off. It is certainly bad to cut education at a time when it's more important to our children's future than ever.

So I say to Congress: Put first things first. Set aside most of the surplus for Social Security and Medicare. Make sure we invest enough in education. Then, together, we can budget for the kind of tax cuts we need and can afford while we pay off the debt and guarantee a strong America in the 21st century.

This is a very good time for our country. We're on the right path; let's stay on it, use our surplus wisely, think about our children's future. Then the 21st century will be America's best days.

Thanks for listening.

NOTE: The address was recorded at 3:30 p.m. on July 16 in Room 136 at Amos Hiatt Middle School in Des Moines, IA, for broadcast at 10:06 a.m. on July 17. The transcript was made available by the Office of the Press Secretary on July 16 but was embargoed for release until the broadcast.

Statement on Representative Michael P. Forbes' Decision To Join the Democratic Party

July 17, 1999

Politics at its best is about ideas, ideas that lead to real advances for the American people. That is why I welcome Congressman Michael Forbes' decision to join the Democratic

Party, a decision based on our shared commitment to a vigorous, innovative agenda for America's future.

Our party is inclusive and committed to a new direction for the 21st century. Today we are fighting for the Patients' Bill of Rights, for using the surplus first to save Social Security and Medicare and provide seniors access to prescription drugs, for paying off our national debt and investing more in quality education for all our children, and for a responsible middle class tax cut. Michael Forbes has embraced these ideas. The Congressional Republicans have rejected them. We welcome him to the Democratic Party and to the fight for America's future.

Michael Forbes has changed parties because he believes it is best for his constituents, for the people of New York, and for our country. He is joining a party that welcomes independent thinking and the courage to change. I know he made a hard choice, but it is the right choice for his constituents, for his own children, and for our Nation.

Remarks on Returning From Camp David, Maryland

July 18, 1999

Disappearance of John F. Kennedy, Jr., Carolyn Bessette Kennedy, and Lauren Bessette

As the search continues, I want to express our family's support, and offer our prayers and those of all Americans for John Kennedy, Jr.; his wife, Carolyn; her sister Lauren; and to their fine families.

I also want to thank the Coast Guard and all those who have worked so hard in this endeavor.

For more than 40 years now, the Kennedy family has inspired Americans to public service, strengthened our faith in the future, and moved our Nation forward. Through it all they have suffered much, and given more.

In recent years, in particular, John Kennedy, Jr., and Carolyn have captured our imagination and won our affection. I will always be grateful for their kindnesses to Hillary and Chelsea and me.

At this difficult moment, we hope the families of these three fine young people will

feel the strength of God, the love of their friends, and the prayers of their fellow citizens.

Thank you.

NOTE: The President spoke at 4:13 p.m. on the South Lawn at the White House. In his remarks, he referred to the search and rescue efforts off the coast of Martha's Vineyard, MA, to locate the aircraft that carried Mr. Kennedy, his wife, and her sister, who were reported missing on July 17.

Statement on Crime Rate Statistics

July 18, 1999

Today's Justice Department statistics confirm that our strategy of more police on the street and fewer guns in the hands of criminals is working. Violent crime has now dropped by 27 percent since 1993, and overall crime has fallen to an unprecedented low. We should stick to this commonsense strategy.

Unfortunately, some in Congress are willing to play politics with our public safety and threaten all of our progress. They want to shut down our successful community policing efforts and riddle our gun laws with dangerous new loopholes. To keep driving down the crime rates, Congress should support more police on the street and fewer guns, not more guns on the street and fewer police.

NOTE: This statement was made available by the Office of the Press Secretary on July 16 but was embargoed for release until 4:30 p.m., July 18.

Remarks at a Dinner for Prime Minister Ehud Barak of Israel

July 18, 1999

I want to, first of all, welcome you all and thank you for braving the rather lengthy receiving line. Prime Minister Barak has asked me to announce that you can relax, because our speeches will only be half as long as the receiving line. *[Laughter]*

It's a great pleasure and an honor for Hillary and I to welcome the Baraks to the White House. This is a good day. This is a good day for affirming the eternal friendship between Israel and the United States. It is

also a hard day for those of us who are Americans, and we offer our prayers for John Kennedy, Carolyn Bessette, and Lauren Bessette and for their families. We are reminded again that life and its possibilities are fleeting, that we mortals are obliged to be humble and grateful for every day, and to make the most of every day, and that the obligation we bear for the search for peace in the Middle East should be assumed with that clear knowledge.

Mr. Prime Minister, 12 days ago you spoke to the Knesset, announcing your new government. Now, I read your speech with great interest, particularly your vow that you will, quote, "not sleep a wink" until peace is achieved. Shortly after you gave that speech you came here; we went to Camp David; you kept me up until 1:45 in the morning. *[Laughter]* This is a man who keeps his commitments. *[Laughter]*

In that speech, you proclaimed that this moment is, quote, "a landmark and a turning point, a time of reconciliation, a time of unity, a time of peace." Many years of hard work have brought this day closer—some of it done on this very ground. Here Prime Minister Begin and President Sadat, with President Carter's assistance, made peace. Here Prime Minister Rabin, Chairman Arafat, and King Hussein committed to peace. Here last year, Prime Minister Netanyahu and Chairman Arafat agreed to build on that commitment.

Now the challenge is to make the promise of those days a reality every day from now on, to implement the Wye accords, to reach a permanent status agreement between Israel and the Palestinian people, to build a comprehensive peace for the region, including Syria and Lebanon. Mr. Prime Minister, you have made it very clear that Israel will keep its commitments. I want to make it equally clear that America will do its part. And that should include the approval by our Congress of the commitments we made at Wye to help the parties promote the peace process.

Mr. Prime Minister, I know you are more than ready for the challenge ahead. Americans know you as a great war hero. They may not know you as a classical pianist, a systems analyst, a tinkerer who can take apart and repair any clock, and, I am told, pick any lock. *[Laughter]* I don't know what you're thinking about for a career change, but—*[laughter]*.

They may not know about your parents' path to Israel, how your father saw his parents killed by Cossacks in Lithuania, while you mother's parents perished in the Holocaust. The qualities you have and the experiences you have known have shaped a leader of extraordinary breadth and depth. A leader who is a decorated warrior but, who, like another decorated warrior, Yitzhak Rabin, has the courage to make peace, the humanity to treat old adversaries with dignity and fairness, the wisdom to know that the land which brought forth the world's great religions, who share a belief in one loving creator, God, that cares for us all, surely that region can be a land of milk and honey for all who call it home.

President Theodore Roosevelt, also a warrior turned peacemaker, said when he received the Nobel Peace Prize, "Words count only when they give expression to deeds." Much of the hard work of turning words to deeds remains to be done. I am grateful that the people of Israel have called upon you for your greatest command—to bring to life the cherished dream of shalom, salaam, peace.

Please join me in a toast to Prime Minister Barak, to Nava, to all of the friends of peace here, especially to you, Leah Rabin, and to the people of Israel.

NOTE: The President spoke at 9:20 p.m. in the South Lawn Pavilion at the White House. In his remarks, he referred to Prime Minister Barak's wife, Nava; and Leah Rabin, widow of slain Prime Minister Yitzhak Rabin. The transcript made available by the Office of the Press Secretary also included the remarks of Prime Minister Barak.

Memorandum on Delegation of Authority

July 16, 1999

Memorandum for the Secretary of Defense

Subject: Delegation of Authority Under Section 1304(b)(2) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999

By the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of Defense the authority vested in me under section 1304(b)(2) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261). The authority delegated by this memorandum may be redelegated not lower than the Under Secretary level.

Any reference in this memorandum to the provision of any Act shall be deemed to include references to any hereafter-enacted provision of law that is the same or substantially the same as such provision. You are authorized and directed to publish this memorandum in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on July 19.

Remarks Honoring the 1999 Women's World Cup Champion United States Soccer Team

July 19, 1999

The President. Good morning. Please be seated. Hillary and Al and Tipper and I are delighted to welcome all of you here, the members of the team, the Members of Congress, who are here. We want to welcome Marla Messing, the president of the Women's World Cup; Donna de Varona, the chairman of the Women's World Cup Organizing Committee. Thank you and—yes, give them a hand. [Applause] And we want to welcome this remarkable team. They are all here, but two, today; that's an amazing turnout. Give them a hand. [Applause]

We all know this is both a moment of celebration and a moment of sadness for the

United States, and our thoughts and prayers are with the families of John Kennedy and Carolyn and Lauren Bessette. It is at times like this that we really stop to recognize that, as big and diverse as our country is, we can come together as a national family. We can come together in sorrow or in joy if it reflects the values that we honor most.

This is one of those moments. The Women's World Cup champions, here at the White House, brought America to its feet, had us screaming our lungs out with pride and joy. They also didn't spare us the suspense. [Laughter] But their triumph has surely become America's triumph. We are all proud them, and we are thrilled to have them here at the White House today.

As someone who got to watch the game at the Rose Bowl, who sat so far on the edge of my seat I actually almost fell out of the skybox, I can't help recalling just a few moments of that game. Kristine Lilly heading away what would have been a game-winning goal for the other side, in overtime. She's not here, but I have to mention Michelle Akers charging up and down until she collapsed from sheer exhaustion. The perfectly timed leap Briana Scurry made to the left to block China's third penalty kick.

I might say, I saw the last three games, and I concluded that if I had to do it all over again, I'd like to be a goalie. [Laughter] No pressure. [Laughter]

And of course, Brandi Chastain's perfect shot right into the top right corner of the goal to win the World Cup.

The day after the game, a lot of us who aren't so young anymore were trying to search the whole cluttered attic of our memories to try to think if there was ever a time when there had been a more exciting climax to an athletic event that meant as much to so many. I'm not sure that in my lifetime there has been. It's no wonder that so many young girls like Stefaney Howell here are following the lead of our World Cup champions.

Over a half million girls and young women have begun playing soccer in the 8 years since America won the World Cup in 1991. Thanks to these women, America's passion for women's soccer and women's sports in

general is growing, and we owe them a lot for that.

I also can't help mentioning briefly, again, the role that Title IX has played in all this, and for all of you who have supported it, I thank you very much. I can say this: For the Clintons and the Gores, the proud parents of daughters, it is always a wonderful thing to see women finding new ways of expressing their God-given talents and abilities. Because what we want for our children is what I think all Americans want for all of our children, whether they're girls or boys, which is a chance to find their way and to follow their dreams.

These women have sent a signal, loud and clear, to millions and millions and millions of girls that they can follow their dreams. And I thank them for that.

Now, you will be happy to know I have exercised some leadership today—it's over 90 degrees out here, and I cut my speech in half. *[Laughter]* Who's next? Are you next? I don't know who's next—I think Hillary is next, the First Lady.

[At this point, the First Lady, DC SCORES youth soccer program participant Stefaney Howell, Tipper Gore, Vice President Al Gore, and team co-captain Julie Foudy made brief remarks. Team co-captain Carla Overbeck then presented several gifts to the Clintons and Gores.]

The President. You have all been very patient in this warm, hot sun. I want to, again, say thank you all for coming. Thank you for supporting America's soccer team. I want to thank the women on the team. I would be remiss if I did not say, also, how profoundly impressed I was at the quality of their opposition.

You know, when we had the last NCAA men's basketball championship, and UConn beat Duke, the Duke coach said something I think every coach would like to say. He said, "We did not lose this game; we were defeated." The German team, the Chinese team, the Brazilian team—they can honestly say that, too. And this is something happening all over the world, for which I am very grateful. And again, I am very grateful that our women are leading the way.

Thank you very much. Thank you.

NOTE: The President spoke at 11:12 a.m. on the South Lawn at the White House. In his remarks, he referred to Marla Messing, president and chief executive officer, 1999 Women's World Cup Organizing Committee; and Duke University men's basketball coach Mike Krzyzewski. The President also referred to Title IX—Prohibition of Sex Discrimination, part of the Education Amendments of 1972 (Public Law 92-318).

The President's News Conference With Prime Minister Ehud Barak of Israel

July 19, 1999

President Clinton. Good afternoon. Please be seated. Prime Minister Barak and I have had a very good series of meetings over the past few days. Of course, we have focused primarily on the Middle East peace process. We strongly agree that a negotiated peace is the best way to make Israel more secure, the best path to lasting stability and prosperity for all the peoples of the Middle East.

The Prime Minister is determined to accelerate that process, to reach with Chairman Arafat a permanent status agreement between Israel and the Palestinian people, and to achieve a broader regional peace that includes Syria and Lebanon. As he has said, the objective now is to put the peace process back on all its tracks.

But we should have no illusions. The way ahead will be difficult. There are hard decisions to be made. Knowing his long record of accomplishment, both as soldier and civilian, and having spent a good deal of time with him these past few days, I believe the Prime Minister is ready to move forward decisively. And America is clearly ready to help in any way we can. As Israel takes calculated risks for peace, we will continue to support Israel's defense.

Today we have agreed to strengthen our security assistance to Israel so Israel can best meet the threats to its citizens, including terrorism and the growing threat of long-range missiles and weapons of mass destruction. We've also agreed to establish a high-level joint planning group to consult on security issues and to report back regularly to the Prime Minister and to me personally.

I intend to work closely with our Congress for expedited approval of a package that includes not only aid to Israel but also assistance to the Palestinian people and Jordan in the context of implementing the Wye River agreement. Making Israel stronger and making Palestinians and Jordanians more secure and more prosperous—all these are crucial to building a just and lasting peace in the region.

Finally, I want to announce that America and Israel will be taking our partnership to new heights, literally. As part of an effort to enhance our scientific cooperation, we will create a working group between NASA and the Israel Space Agency to advance scientific research, educational activities, and the peaceful uses of space. And an Israeli astronaut and a payload of Israeli instruments will fly on a space shuttle mission next year.

All these efforts will strengthen the bonds between our two democracies. They will help us to build a better future together. I am proud that Prime Minister Barak is my partner in this work. I look forward to seeing him again soon.

Mr. Prime Minister, the floor is yours.

Prime Minister Barak. Mr. President, ladies and gentlemen. President Clinton and I have just concluded the last in our series of meetings. Those meetings were held in an atmosphere of deep friendship and understanding that characterizes the bilateral relationship between Israel and the United States.

Our policy is based on the following: We are committed to the renewal of the peace process. It is our intention to move the process forward simultaneously on all tracks—bilateral, the Palestinian, the Syrians, and the Lebanese, as well as the multilateral. We will leave no stone unturned in our efforts to reinvigorate the process, which must be based upon direct talks between the parties themselves and conducted in an atmosphere of mutual trust.

Any unilateral steps, acts or threats of terrorism, violence, or other forms of aggression have no place in a process of peace. The peace we seek to establish is only the one that will enhance the security of Israel. Only a strong and secure Israel is capable of mak-

ing the difficult choices that the process requires.

I will not shy away from those difficult choices, but I have responsibility to the people of Israel to do all that I possibly can to minimize the risks and dangers involved. From here, I call upon our Arab partners and their leaders to embark with us together on this historic journey, which requires tough choices from all parties.

Mr. President, Israel and America share a unique friendship and a very special partnership. Our relationship is built upon common values, shared interests, and a mutual vision as to the future of the region. A strong Israeli-American relationship must be the cornerstone on which to build a peaceful Middle East. Mr. President, the road ahead may be long and arduous, but together with our peace partners, we can and will make it happen.

We know, Mr. President, that in the pursuit of this sacred mission, a mission of peace, we can count on your wisdom, experience, good advice, and continued support all along the road.

For Nava and for myself, thank you again for your warm hospitality accorded us throughout our visit and for your consistent friendship and support.

Thank you.

President Clinton. Terry [Terence Hunt, Associated Press].

Middle East Peace Process

Q. Thank you, Mr. President. Mr. President, the Prime Minister has committed himself to implementing the West Bank pull-back agreed upon at Wye River. You just talked about accelerating the peace process. Realistically speaking, looking ahead, how long before the final status talks get underway on the tough issues like Jerusalem, the Palestinian hopes for a homeland, refugees? And what specific steps can the United States do to facilitate this process? Maybe if each of you could address those.

President Clinton. Well, first of all, the United States will continue to do what it has done all along. I believe that we should be prepared to support a final status agreement in the way we have supported all these other agreements, going all the way back to Camp

David and through those that have been reached during my tenure. We should support the security of Israel, the stability of the region, the economic development of the region. And we should help to work out any of the particular problems as they arise.

In terms of the timing, I don't think it's for the United States to set the timetables here. I think we should just be supportive of moving ahead as vigorously as possible. But it's not our role—and shouldn't be—to impose an outside timetable on the process.

Prime Minister Barak. We are committed to agreements signed by Israeli governments. We are committed to Wye. We will implement it. We are committed to the permanent status negotiations, and we intend to go forward and do it.

We have to consider, together with Chairman Arafat, the way to combine the Wye agreement implementation with the pushing forward of the permanent status negotiations and implementation. And we will do exactly that in the coming months.

I would suggest a kind of framework of about 15 months, within which we will know whether we have a breakthrough and are really going to put an end to the conflict, or alternatively—I hope this will not be the case—we are stuck once again. I use the kind of framework of 15 months to signal to all publics and ask the players that we are not talking about a miraculous solution, magic solution, that will drop upon us from heaven in 3 weeks, and we do not intend to drag our foot for another 3 years.

President Clinton. Want to take a question from an Israeli journalist?

Prime Minister Barak. Please.

President Hafiz al-Asad of Syria

Q. Mr. President, do you intend to have talks or to meet with President Asad at the present time and maybe shoot for a summit meeting here with President Asad?

And, Prime Minister Barak, another question also on Damascus. Today terrorist organizations there were urged to leave the country by the Syrian Government. Is there any proof of this news that you heard, and if it's true, do you see any significance?

President Clinton. Well, let me answer the first question. I have had regular contact,

as you know, and a lot of contact with President Asad over the last 6½ years. He knows very well that I am committed to the peace process between Israel and Syria, and that I believe that he has a golden opportunity now to resume that process and that I hope he will do so. And I intend to reaffirm that in the appropriate way at the conclusion of our meeting.

We, too, would like more normal relations with Syria, and we would like Syria to be reconciled to all its neighbors in the region. And I think anything that Syria does to disassociate itself from terrorists is a positive step in the right direction.

Yes, ma'am. Helen [Helen Thomas, United Press International], you're next; I'll take you next.

Future Israeli Security

Q. Mr. Prime Minister, a question to you. As Israel moves now to resume peace talks with its Arab adversaries, what and who do you regard as the real existential threats to Israel in the coming century? Do you look more toward Iran and Iraq? Do you have different views on these issues than your predecessor? Thank you.

Prime Minister Barak. Unlike this part of the world, our neighbor—unlike North America—Western Europe is a very tough neighborhood, you know, kind of merciless environment, no second opportunity for those who cannot defend themselves. And many threats might loom over the horizon without very long early warning. We, of course, see the risk. This is one of the reasons why I'm so determined to do whatever we can to achieve peace.

I spent all my life in uniform fighting for the security of our country, and we know from our experience that by strengthening Israel and going toward peace, we will reduce this kind of threat. There are a lot of conventional armed forces around us. If you combine them together it's more weapon systems in the Middle East than in NATO. And of course, the prospect of proliferation of weapons of mass destruction and missile technology to places like Iran or Iraq create a major threat to the stability of the whole Middle East, to the free flow of oil from this region that helps to sustain the economies

of both Europe and Japan, and, of course, to Israel. And we are watching very carefully these kinds of threats.

We do not aspire to eliminate any future risk from the globe by making peace with our neighbors, but we're clearly determined to make our future and the future of our neighbors better by reaching a full agreement about peace with all our neighbors around.

Q. Iraq and Iran, sir?

Prime Minister Barak. Iran and Iraq is a sources of potential threat to the stability of the Middle East and to Israel if they reach missile technology, nuclear weapons, and, by this, the combination to really launch them.

Middle East Peace Process

Q. President Clinton, you have met with Prime Minister Barak for many hours, and we all know that you have concluded some sort of a program to advance the peace process. Can you please tell us some of these details that you can tell us? What is expected in the coming days or weeks and when is the talks between Syria and Israel are going to be resumed? Is there any date?

And a question to Prime Minister Barak, what is your reaction to the meeting of Abd al-Halim Khaddam in Damascus with a few Palestinian organizations that are imposing the Oslo—the peace process? Do you think that it's a significant step for peace.

President Clinton. First of all, we have issued a very detailed joint statement. I don't know if you have it yet or not.

Q. I've read it, but it doesn't say specifically what are the coming moves.

President Clinton. That's right; that's on purpose. [Laughter] So you know—sometimes in this process, the less you say, the better. Let me say that you know that Prime Minister Barak has talked to Chairman Arafat, and they intend to talk again. And I have said that I will make it known to President Asad what I consider to be the very satisfactory results of this meeting and that this is an important time to restart the peace process. I think to go beyond that right now would be an error on my part. Not because I don't intend to push ahead in every way I can, but I just think it would be a mistake.

Prime Minister Barak. I can just add to this that I'm fully confident that when we will have something to tell, we will be interviewed by you, and we'll tell you, and the public will know. There will be no secrets when something really happens in the open.

On the other part of your question, I did not get a real report about this meeting, but if there was such a meeting and the Syrians really asked the terror organizations to reduce their level of activity, if that is true, it is, of course, good news for all of us.

President Clinton. Helen.

Israeli-Palestinian Relations

Q. Mr. Prime Minister, there's an expression——

Prime Minister Barak. I awaited you. [Laughter]

Q. ——that if you walk in someone's moccasins, then you'll know how they really feel. If you were walking in a Palestinian's shoes, how would you feel about occupation, annexation, incarceration for months, for years without a charge, without a trial?

Prime Minister Barak. I was elected Prime Minister of the State of Israel. I'm fully focused on the security and future of the Israelis. I am aware that, the same way that a person cannot choose his parents, a nation cannot choose its neighbors. They are there, the Palestinians; we respect them. We want to build a peace with them that will put an end to the conflict with all the sufferings that happen on both sides of this conflict. We are determined to do it. I believe that focusing on how to solve the problems of the future is a more, may I say, productive way to consume our time than dealing with analyzing past events or their interpretation.

Q. Well, they aren't past. They're very current.

Prime Minister Barak. We are working on bringing a peace that will create a different environment in the Middle East, and I am fully focused on this future, rather than on analysis of the past.

President Clinton. Do you want to take another question?

Prime Minister Barak. Please.

U.S. Role in Middle East Peace Process

Q. How do you reconcile between the Prime Minister's expectation to get your support to the further negotiations with the Palestinians, the potential difficulties that Israel will face, with your role as an honest broker?

President Clinton. Why are they inconsistent? I'm not sure I understand the question.

Q. It's a cultural gap.

Q. No, it's not cultural gap.

President Clinton. No, no, explain the question. I'm sorry, I don't mean to be dense, but I don't understand the question.

Q. We understand that the Prime Minister strove to get your understanding to Israel's point of view with regard to the negotiations that he will have with the Palestinians.

President Clinton. Yes, that's correct.

Q. On the other hand, America is going to play the role of an honest broker between Israel and the Palestinians. So probably there is a kind of conflict between these two roles.

President Clinton. Oh, I see what you mean. Actually, in this case, I disagree with that for the following reason. The Prime Minister has made it clear—this goes a little bit to the question Helen asked in a general way—the Prime Minister has made it clear that however he proceeds into the future in negotiating with the Palestinians that it must all be done by agreement, including the ideas of synchronizing Wye and going to the final status talks. I'm convinced that at the end of the road, anything they could both agree to would be in both their interests.

And I must say, I think—some of you may think this is naive, especially as long as I've been doing this—but I honestly believe that the most important element for success for an Israeli Prime Minister in negotiating an agreement with the Palestinians is being able to set aside the accumulated burdens of the past to at least see them with respect and understand how they perceive the legitimacy of their aspirations. And I have seen that with this Prime Minister. And I think when you do that, then there will be a way to work this out.

I think that in a peculiar way, the United States can only be of value to the Palestinians because we are so close to Israel. Otherwise, of what value are we to them? And because

we are, if we believe they have a good point that I privately and personally communicate to the Prime Minister or his designated representatives, it should carry more weight because they know how close we are.

So I don't see the two things as in conflict. I think that, in the end, they both have to believe they have won or there will be no agreement. If either side believes that it has lost, why should they agree?

Convicted Spy Jonathan Pollard

Q. Mr. President, did the subject of Jonathan Pollard and his possible release come up in any form during your discussions? It's now 8 months since White House Counsel Chuck Ruff requested the major U.S. Governmental agencies to offer their opinions on this. Did any of those agencies recommend or indicate that they would recommend his release?

And, Mr. Prime Minister, did President Clinton give you any reason to expect that Pollard's release may be a possibility?

Prime Minister Barak. Maybe I'll answer first, and it will make it more, smoother in a way. I clearly want to see Jonathan Pollard released, but I am of the position that any public discussion of this issue doesn't push forward the purpose of having him released. For many reasons, this is a subject that should be dealt with not in public, but at most, between the leaders of the two nations.

President Clinton. One more over here, and then we'll take—Sam [Sam Donaldson, ABC News], you want a question?

First Lady's Position on Middle East Process

Q. Sir, I'd like to take another crack at a question you've been asked before. You've said that when Mrs. Clinton expresses her opinions publicly she's just doing something in public which you've done in private before—that is, have disagreements. That's the American way. But when she talks about an opinion in which she takes the Israeli position on Jerusalem, doesn't this make it more difficult for you to be that honest broker that one of your colleagues talked about, sir?

President Clinton. No, no. For one thing—let me say, that issue is not one that—that's not the public-private distinction. The

Government of the United States, the executive branch, the President, is a sponsor of the peace process and a facilitator of it. In that context, those of us with positions of official responsibility who are all the time asking Israel and the Palestinians, we're all the time asking both sides not to do anything which prejudices final status issues—I have taken the position that my government should not prejudice final status issues.

There are many American citizens who consider, for example, Jerusalem to be the capital of Israel; Israel considers Jerusalem to be the capital of Israel. You heard the Prime Minister say that he hoped that when we had all this worked out, everybody's Embassy would be there.

The genius, I thought, of the legislation which was passed by the Congress and sponsored I think primarily by Senator Moynihan was that it permitted each individual Member of Congress and, therefore, imposed on everybody who might want to be in Congress, the responsibility of expressing their opinion on it, while allowing the United States to continue to be an honest broker through the waiver authority so we don't have to prejudice the final status issue.

The status of Jerusalem is, under the Oslo accords, something that the parties themselves have to work out at the end. So that's my position. I don't think there is any inconsistency there at all. I think that anybody who is ever going to consider being a candidate for Congress in any place in this country, or the Senate, where people care about this, might be asked about it. But we have a framework in our law, which I think is quite good, where people can express their opinion about it, vote for a law, support the law, but the President, whoever the President is, is permitted to honor the obligation of the United States not to prejudice the final status issue.

Q. But sir, the thrust——

Prime Minister Barak. ——of Israeli TV——

Q. Sir, may I just follow up?

Prime Minister Barak. Please, let the young lady—beauty before age. [Laughter] I'm not quarreling with your wisdom, but look, a young Israeli. [Laughter]

Palestinian State

Q. To both of you, Prime Minister Barak was mentioning that 15-month framework for the negotiation; do you see, Mr. President, and you, Prime Minister Barak, a Palestinian state at the end of this period of time?

Prime Minister Barak. I think it's too early to think of the results of the negotiations about permanent status that were hardly begun. And I don't think that you should interpret this 15-month framework as a kind of a deadline where everything should be either fully concluded and implemented, or the whole thing is blown up, blown apart. I don't think that is the case.

We have this framework in order that different players on different tracks with only partially transparent membranes between them could make up their judgment about what should be concluded in their own track, vis-a-vis Israel, while taking into account the fact that the others are continuing.

So without providing them with a certain timeframe they might be lost or suspicions would be heightened, which as you know, happens very often in the Middle East. So in order to produce a certain kind of common basis, common framework, and common understanding about how we intend to move, we shaped this timeframe. It could not be interpreted as more than this.

Q. What about the possibility of a Palestinian state?

Prime Minister Barak. Oh, this was the question, I thought—[laughter]. It's part of the permanent status negotiations, and I'm confident that the nature of the Palestinian entity will emerge quite naturally out of these permanent status negotiations. We are concentrating on solving at the same time all the problems that are on the table—the refugees, the border, the future of settlements, the problem of Jerusalem. And I don't think it's a very easy task to solve part of the problem without solving, at the same time, the other parts.

President Clinton. Joe says we were about to draw this to a close. But if you want to chew on me, I'll be back Wednesday; we're going to have a press conference. Thank you very much. Thank you.

Oh, wait, wait, I'll answer the Coast Guard question. Go ahead. This is important—further—what's going on for America today, so I'll answer this. Go ahead.

Search for Wreckage of John F. Kennedy, Jr., Aircraft/Conversations With Kennedy Family

Q. Mr. President, I'm told that you were briefed earlier today by the U.S. Coast Guard about their search for the wreckage of the Kennedy plane. Can you tell us what the results of that are to date? And also, sir, since the search became a—quote, unquote—"recovery operation" last night, have you had a chance to speak with any members of the Kennedy family, and if so, can you relate some or all of those conversations?

President Clinton. Well, let me say, first of all, I did speak with Admiral Larrabee this morning, and again I want to say I think the Coast Guard, the National Transportation Safety Board, the FAA, all the State and local entities who have worked for them have done quite a fine job here; and I'm grateful to them.

He was actually, Admiral Larrabee, somewhat optimistic that they would eventually be successful in this area they have identified, in finding further—at least further parts of the plane. And I believe it's appropriate that this search continue. So I think they've done a good job.

I have had, over the last 3 days, several conversations with Senator Kennedy, and I have talked with Caroline, and I have—but I think it would not be appropriate for me to talk about the merits of it.

Let me say that John Kennedy and his sister and later his wife, were uncommonly kind to my daughter and to my wife, and this has been a very difficult thing for us, personally, as well as because of my position. They are very strong people, and I think they are carrying on as well as any human beings could. But they need the support and prayers of our country.

Thank you.

Prime Minister Barak. Allow my please to add to it—to extend on behalf of myself and the Israeli people our prayers and thoughts to the Kennedy family that faced so many tragedies and now is facing another

one, a tragedy that I believe touched hearts of billions all around the world.

Thank you.

President Clinton. Thank you very much.

NOTE: The President's 178th news conference began at 4 p.m. in Presidential Hall (formerly Room 450) in the Old Executive Office Building. In his remarks, the President referred to Chairman Yasser Arafat of the Palestinian Authority; Rear Adm. Richard M. Larrabee, USCG, 1st Coast Guard District, head of the search and recovery efforts off the coast of Martha's Vineyard, MA, to locate the missing aircraft that carried John F. Kennedy, Jr., his wife, Carolyn Bessette Kennedy, and her sister Lauren Bessette. The President also referred to Mr. Kennedy's sister, Caroline Kennedy Schlossberg. Prime Minister Barak referred to his wife, Nava; and Vice President Abd al-Halim Khaddam of Syria.

Joint Statement by President Clinton and Prime Minister Ehud Barak

July 19, 1999

During several days of close consultations, the President and the Prime Minister conducted a comprehensive review of the U.S.-Israel bilateral relations, the peace process, Israeli as well as regional security, economic and scientific development and cooperation. These fruitful discussions have produced important agreements and understandings in all of these areas.

Prime Minister Barak expressed his deep appreciation of President Clinton's special efforts to enhance the U.S.-Israeli relationship and advance the cause of peace in the Middle East.

President Clinton and Prime Minister Barak have reached a broad new understanding that significantly enhances the already unique bilateral relations between the United States and Israel, and raises their friendship and cooperation to an even higher level of strategic partnership. This new partnership is designed to underpin their joint effort to put an end to the Arab-Israeli conflict and achieve a comprehensive peace in the Middle East.

The President and the Prime Minister have agreed on the need to assign a top priority to the pursuit of peace in the Middle East. They have also reached a meeting of

minds on the desirability of making an intensive effort to move ahead simultaneously on all tracks of the peace process, bilateral and multilateral, as well as on the important role that would be played by the United States in support of the process.

President Clinton assured Prime Minister Barak that the United States would be ready to assist and contribute in any way it can to achieving an historical reconciliation that will usher in a new era of peace, security, prosperity and cooperation in the Middle East. In this context, he reiterated the U.S. commitment to help Israel minimize the risks and costs it incurs as it pursues peace and affirmed the broad U.S. backing that would be accorded to Israel, to facilitate the pursuit of peace.

Recognizing that the U.S.-Israel relationship serves as a cornerstone for pursuing peace, they vowed to strengthen and deepen this unique relationship, which is based on shared democratic values, bonds of friendship, common interests and joint cooperation in so many areas of human endeavor. President Clinton reiterated the steadfast commitment of the United States to Israel's security, to maintain its qualitative edge, and to strengthen Israel's ability to deter and defend itself, by itself, against any threat or a possible combination of threats.

The United States and Israel will sign a Memorandum of Understanding (MOU) which will express their joint intention to restructure U.S. bilateral assistance to Israel. The MOU will state the United States' intention to sustain its annual military assistance to Israel, and incrementally increase its level by one-third over the next decade to a level of \$2.4 billion subject to Congressional consultations and approval. At the same time, the MOU will provide for a gradual phase-out of U.S. economic aid to Israel, over a comparable period, as the Israeli economy grows more robust, less dependent on foreign aid, and more integrated in world markets.

The two leaders also reviewed the status of the U.S.-Israeli defense relationship and agreed that existing defense channels of coordination and cooperation work effectively. These would have to be further consolidated and strengthened under a Defense Policy

Advisory Group (DPAG) to meet the new challenges of WMD, counter proliferation (CP) and theater missile defense (TMD). The Group will coordinate and plan the cooperation between the U.S. Department of Defense and the Israeli Ministry of Defense.

In addition, the two leaders agreed on the components of the \$1.2 billion military aid package for Israel that the Administration has already requested from Congress. The President assured the Prime Minister of his intention to work closely with the Congress to seek expedited action for funding, starting in FY 1999, for this package to support Israel as it implements the Wye River Memorandum. The package will have three components:

- Assistance to the Israeli Defense Forces as they carry out further redeployments, including projects which will be managed by the U.S. Army Corps of Engineers.

- Assistance in meeting Israel's broader strategic requirements, including Theater Missile Defense (TMD), helicopters, and communications equipment and munitions.

- Assistance in meeting the increased cost of Israeli counter-terrorism efforts.

The two leaders also agreed on the importance of spreading the benefits of peace to all those who participate in the process. In that context, they expressed support for the \$400 million in assistance to the Palestinian people and \$300 million for Jordan that is part of the Administration's request to Congress to support implementation of the Wye River Memorandum.

President Clinton and Prime Minister Barak agreed that Israel faces new challenges in the strategic arena, particularly the proliferation of weapons of mass destruction and ballistic missiles that threaten to undermine Israel's security. In this context, the two leaders agreed to step up the overall bilateral cooperation and coordination, as well as to implement a number of measures designed to help Israel meet these emerging threats:

- The United States will provide funding for Israel's acquisition of a Third Arrow battery that will enhance the protection of Israel's citizens from ballistic missile attacks.

The United States and Israel will expand their collaborative efforts to develop new technologies and systems designed to deal with ballistic missiles.

The two leaders will establish a Strategic Policy Planning Group (SPPG), composed of senior representatives of the relevant national security entities of both countries. It will be tasked to develop and submit recommendations on measures to bolster Israel's indigenous defense and deterrent capabilities, as well as the bilateral cooperation to meet the strategic threats Israel faces. The SPPG will also consider ways to minimize risks and costs, to enhance Israel's security, and address its other needs related to national security which arise in the context of steps Israel might take to achieve a comprehensive peace. The SPPG will report to the President and the Prime Minister at four month intervals. The two leaders agreed to meet in joint session at regular intervals.

Another area of mutual concern that was discussed between the two leaders was the growing threat of WMD terrorism. This was acknowledged to be an area in which both countries stood much to gain from each others knowledge and experience. In order to enhance their capability to deal effectively with this threat, it was agreed to sign a new MOU between their respective national security institutions. It would facilitate broad cooperation between the various government agencies in both countries in all areas associated with preparing and responding to WMD terrorism.

One specific area of economic cooperation discussed between the two leaders pertains to water resources. They have noted the growing scarcity of water in the Middle East, and also recognized the potential inherent in bilateral, as well as regional, cooperation to turn water from a potential source of conflict into a force of regional stability and prosperity in the region. Toward that end, the United States has pledged to work with Israel, both bilaterally and with other regional partners and their private sectors, to promote the development of new and additional sources of water, including desalination, and to examine

ways to transfer water to arid lands, and to manage existing water resources more efficiently. A joint task force will explore specific measures that could be carried out in this domain, and will submit its recommendations to President Clinton and Prime Minister Barak by the end of 1999.

The President and the Prime Minister have also agreed that promoting tourism to Israel and the entire region presents a unique opportunity to promote cooperation and spread economic benefits to the peoples of the Middle East. Both sides agreed to explore specific steps to develop this unique potential together, and with other interested regional partners and their private sectors, beginning the fall of 1999.

Finally, President Clinton and Prime Minister Barak agreed that scientific cooperation between Israel and the United States will benefit the peoples of both countries, as they enter the 21st century. In this context, they agreed to enhance cooperation in the peaceful uses of space. A joint working group of NASA and the Israel Space Agency (ISA) will be established to develop new areas of joint cooperation, including educational activities, scientific research and the development of practical applications in the peaceful use of space for the benefit of people around the world. The President also informed the Prime Minister that an Israeli astronaut and payload of Israeli experiments would fly on a shuttle mission in the year 2000.

Upon concluding the Prime Minister's visit, the two leaders expressed their shared conviction that these meetings have laid the foundations for a vigorous effort to bring an end to the Arab-Israeli conflict, as well as for even closer American-Israeli ties based on the U.S. ironclad commitment to Israel's security. The two leaders called upon the other leaders of the region to lend their support to this effort to bring comprehensive peace, security, and prosperity to the peoples of the Middle East.

NOTE: An original was not available for verification of the content of this joint statement.

**Message to the Congress
Transmitting a Report on Emigration
Policies and Trade Status of Albania**

July 19, 1999

To the Congress of the United States:

I am submitting an updated report to the Congress concerning the emigration laws and policies of Albania. The report indicates continued Albanian compliance with U.S. and international standards in the area of emigration. In fact, Albania has imposed no emigration restrictions, including exit visa requirements, on its population since 1991.

On December 5, 1997, I determined and reported to the Congress that Albania is not in violation of the freedom-of-emigration criteria in sections 402 and 409 of the Trade Act of 1974. That action allowed for the continuation of normal trade relations status for Albania and certain other activities without the requirement of an annual waiver. This semiannual report is submitted as required by law pursuant to the determination of December 5, 1997.

William J. Clinton

The White House,
July 19, 1999.

**Message to the Congress Reporting
on the National Emergency With
Respect to Libya**

July 19, 1999

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of December 30, 1998, concerning the national emergency with respect to Libya that was declared in Executive Order 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On December 30, 1998, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This re-

newal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, virtually all trade with Libya is prohibited, and all assets owned or controlled by the Government of Libya in the United States or in the possession or control of U.S. persons are blocked.

2. On April 28, 1999, I announced that the United States will exempt commercial sales of agricultural commodities and products, medicine, and medical equipment from future unilateral sanctions regimes. In addition, my Administration will extend this policy to existing sanctions programs by modifying licensing policies for currently embargoed countries to permit case-by-case review of specific proposals for commercial sales of these items. Certain restrictions apply.

The Office of Foreign Assets Control (OFAC) of the Department of the Treasury is currently drafting amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the Regulations), to implement this initiative. The amended Regulations will provide for the licensing of sales of agricultural commodities and products, medicine, and medical supplies to nongovernmental entities in Libya or to government procurement agencies and parastatals not affiliated with the coercive organs of that country. The amended Regulations will also provide for the licensing of all transactions necessary and incident to licensed sales transactions, such as insurance and shipping arrangements. Financing for the licensed sales transactions will be permitted in the manner described in the amended Regulations.

3. During the reporting period, OFAC reviewed numerous applications for licenses to authorize transactions under the Regulations. Consistent with OFAC's ongoing scrutiny of banking transactions, the largest category of license approvals (20) involved types of financial transactions that are consistent with U.S. policy. Most of these licenses authorized personal remittances not involving Libya between persons who are not blocked parties to flow through Libyan banks located outside Libya. Three licenses were issued authorizing certain travel-related transactions. One license was issued to a U.S. firm to allow it to protect its intellectual property rights

in Libya; another authorized receipt of payment for legal services; and a third authorized payments for telecommunications services. A total of 26 licenses were issued during the reporting period.

4. During the current 6-month period, OFAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The office worked closely with the banks to assure the effectiveness of interdiction software systems used to identify such payments. During the reporting period, 87 transactions potentially involving Libya, totaling nearly \$3.4 million, were interdicted.

5. Since my last report, OFAC has collected 7 civil monetary penalties totaling \$38,000 from 2 U.S. financial institutions, 3 companies, and 2 individuals for violations of the U.S. sanctions against Libya. The violations involved export transactions relating to Libya and dealings in Government of Libya property or property in which the Government of Libya had an interest.

On April 23, 1999, a foreign national permanent resident in the United States was sentenced by the Federal District court for the Middle District of Florida to 2 years in prison and 2 years supervised release for criminal conspiracy to violate economic sanctions against Libya, Iran, and Iraq. He had previously been convicted of violation of the Libyan Sanctions Regulations, the Iranian Transactions Regulations, the Iraqi Sanctions Regulations, and the Export Administration Regulations for exportation of industrial equipment to the oil, gas, petrochemical, water, and power industries of Libya, Iran, and Iraq.

Various enforcement actions carried over from previous reporting periods have continued to be aggressively pursued. Numerous investigations are ongoing and new reports of violations are being scrutinized.

6. The expenses incurred by the Federal Government in the 6-month period from January 7 through July 6, 1999, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$4.4 million. Personnel costs were largely centered in the Department of

the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

7. In April 1999, Libya surrendered the 2 suspects in the Lockerbie bombing for trial before a Scottish court seated in the Netherlands. In accordance with UNSCR 748, upon the suspects' transfer, UN sanctions were immediately suspended. We will insist that Libya fulfill the remaining UNSCR requirements for lifting UN sanctions and are working with UN Secretary Annan and UN Security Council members to ensure that Libya does so promptly. U.S. unilateral sanctions remain in force, and I will continue to exercise the powers at my disposal to apply these sanctions fully and effectively, as long as they remain appropriate. I will continue to report periodically to the Congress on significant developments as required by law.

William J. Clinton

The White House,
July 19, 1999.

**Letter to Congressional Leaders
Reporting on the Deployment of
Military Forces for Stabilization of
Areas of the Former Yugoslavia**
July 19, 1999

Dear Mr. Speaker: (Dear Mr. President:)

In my report to the Congress of January 19, 1999, I provided further information on the deployment of combat-equipped U.S. Armed Forces to Bosnia and other states in the region in order to participate in and support the North Atlantic Treaty Organization (NATO)-led Stabilization Force (SFOR), which began its mission and assumed authority from the NATO-led Implementation Force on December 20, 1996. I am providing this supplemental report, consistent with the War Powers Resolution, to help ensure that the Congress is kept fully informed on continued U.S. contributions in support of peacekeeping efforts in the former Yugoslavia.

The U.N. Security Council authorized member states to continue SFOR for a period of 12 months in U.N. Security Council

Resolution 1247 of June 18, 1999. The mission of SFOR is to provide a continued military presence in order to deter renewed hostilities, stabilize and consolidate the peace in Bosnia-Herzegovina, and contribute to a secure environment to facilitate the civilian implementation process to which SFOR provides broad support within its means and capabilities.

The U.S. force contribution to SFOR in Bosnia is approximately 6,200. In the first half of 1999, all NATO nations and 19 others, including Russia and Ukraine, have provided military personnel or other support to SFOR. Most U.S. forces are assigned to Multinational Division, North, centered around the city of Tuzla. In addition, approximately 2,200 U.S. military personnel are deployed to Hungary, Croatia, and Italy in order to provide logistical and other support to SFOR. The U.S. forces continue to support SFOR in efforts to apprehend persons indicted for war crimes. In the last 6 months, U.S. forces have sustained no fatalities.

The United Nations mandate for the U.N. Preventive Deployment Force (UNPREDEP) in the Former Yugoslav Republic of Macedonia expired on February 28, 1999, and it was not renewed or extended. The U.S. military contingent that had been deployed to Macedonia as part of UNPREDEP remained in Macedonia under U.S. operational control in anticipation of providing logistical support to U.S. forces that could support future NATO operations in the area. That contingent subsequently re-deployed and was replaced with other U.S. forces more suited for this possible support mission. The new contingent has been incorporated into the U.S. national support element operating in Macedonia that, as I reported in my letter to the Congress of June 12, 1999, is supporting the International Security Presence in Kosovo (KFOR).

I have directed the participation of U.S. Armed Forces in these operations pursuant to my constitutional authority to conduct U.S. foreign relations and as Commander in Chief and Chief Executive, and in accordance with various statutory authorities. I am providing this report as part of my efforts to keep the Congress fully informed about developments in Bosnia and other states in

the region. I will continue to consult closely with the Congress regarding our efforts to foster peace and stability in the former Yugoslavia.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Letter to Congressional Leaders on Proposed Education Legislation July 19, 1999

Dear Mr. Speaker: (Dear Mr. Leader:)

Nothing will do more to prepare all of our people to succeed in the 21st century than strengthening our public schools. That's why I am deeply concerned about the legislation that the House is preparing to consider that undermines a bipartisan commitment to reduce class size in the early grades across the nation. If the Congress sends me H.R. 1995 in its current form, I will veto it in order to protect our nation's commitment to smaller classes and better schools.

Last year, Congress came together across party lines to make a down payment to begin hiring 100,000 well-prepared teachers to reduce class size to a nationwide average of 18. Earlier this month, the Education Department released \$1.2 billion in grants to help states and local school districts begin hiring the first 30,000 well-trained teachers for the new school year. Now is the time to work together to keep our bipartisan commitment on class size, not walk away from it.

After all, research confirms what parents and teachers understand: smaller classes with well-prepared teachers have a lasting impact on student achievement, with the greatest benefits for lower achieving, minority, and poor children.

Earlier this year, I sent to Congress my proposal to reauthorize the Elementary and Secondary Education Act that would help all students reach high standards by strengthening accountability, improving teacher quality, and building on our progress to reduce class size in the early grades all across America. Regrettably, in its current form, H.R.

1995 abolishes a dedicated funding stream for class size reduction and replaces it with a block grant that fails to guarantee that any funding will be used for hiring new teachers to reduce class size. It eliminates the focus on early grades where smaller classes make the most difference and help children learn to read and master the basics. Moreover, the block grant could be used simply to replace state or local funding instead of increasing overall investment in our public schools. I urge the House to approve a substitute measure that I understand will be offered by Representative Martinez, that would improve teacher quality and maintain our commitment to the class-size reduction effort begun last year.

Last year we made a promise to America's children to provide smaller classes with well-prepared teachers. I urge Congress to keep that promise by enacting legislation that improves our nation's schools by ensuring greater investments in education, improved teacher quality, and smaller classes all across America.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Richard A. Gephardt, minority leader, House of Representatives. An original was not available for verification of the content of this letter.

Remarks at a Democratic National Committee Dinner

July 19, 1999

Thank you very much. John, that was so nice—I hope somebody got a tape of it. *[Laughter]* Next time somebody gets mad at me, I'll just turn the tape on and play it. *[Laughter]*

I want to thank you and all your officers and Governor Romer and all the people from the DNC here. I'd like to say a special word of appreciation to some people who are here, without whom I could not do my job: my political director, Minyon Moore; and Karen Tramontano, who's done so much work with all of you. I thank them for being here. And someone who's here who spends more time with you than me now, but without whom

I would not be here, my good friend Harold Ickes. And Janice Enright, who's also here, thank you very much.

And I'm delighted to see all of you, but I'm especially glad tonight to see emerging from his own rather unique diet control plan, Gerry McEntee—*[laughter]*—thank you for coming back to us tonight. Thank you. I told him how good he looked, and he said, "I don't recommend it to anybody." *[Laughter]*

Let me say the most important thing I can say to you is thanks—thank you for being so good to me and to Al Gore, to Hillary, to Tipper, to our entire administration. We are very grateful to you. And thank you for fighting not only for your own members, but for the interests of Americans everywhere who are not fortunate enough to belong to an organized group who can give them voice.

I sat down 3 or 4 years ago—I wish I had done it again tonight before I came here—just one day I had a little time in my office and I wrote down the list of all the things that the labor movement was fighting for, with me and the Congress. And only about half of them directly affected your members. Most of our members wouldn't benefit from an increase in the minimum wage. Most of your members even had family and medical leave. Most of your members had the health care protections you were trying to get for other people. And I wish that more Americans knew how much time and effort and money you spend doing things because you believe that you'll be better off if the rest of America is better off.

And I guess—I was in the home of a very wealthy man in Florida a couple of days ago—well, what's today—Monday—4 or 5 days ago—who said that he had stayed a Democrat all these years because he really thought he'd be better off if everybody else was better off. And I think that is the fundamental issue.

We were talking around the table here. I have a friend who is the head of one of America's largest companies, one of America's most profitable companies, who told me that he had taken to going around New York telling his fellow business executives, if you paid more in taxes in 1993 than you've made in the stock market since, by all means support the Republicans in 2000. *[Laughter]* But if

you didn't, you better stick with us, and you'll do well. [*Laughter*] I thought it was an interesting argument.

One of the things that I would like to emphasize tonight, as we look at where we are today and we look to the future, is that the ideas that we have fought for and the issues we have fought for and the initiatives we have pushed are no longer seriously a matter of debate. And that is something that you ought to share not only with your members, but they ought to share with their friends and neighbors in every community in this country.

It is no longer open to debate whether we were right to reduce the deficit while we doubled investment in education and training, starting in 1993. We do have nearly 19 million jobs, the longest peacetime expansion in history, the highest homeownership in history, the lowest minority unemployment ever recorded, the lowest welfare rolls in 30 years. It's not open to debate now. It's not open to debate that the approach we took on crime, which was to prevent as much as we could, put more police out there, focus on taking guns away from people with criminal records, get our kids more prevention, and then, punish more severely the relatively small number of people who commit a very high percentage of the crime—we have the lowest crime rate in 26 years. It's not a matter of debate anymore. And I think this is important.

Our country is better for the fact that we have cleaner air, cleaner water, safer food, 90 percent of our kids immunized against serious childhood illnesses for the first time in the entire history of the country. So we have a lot, all of us together, to be proud of. And helping other people to do well turns out to be better for all of us.

John mentioned all those labor issues. If you really go back and dissect every issue he mentioned, basically, the contrary position, the people that were against us were arguing to their people, if we just take a little more away from the working people we'll be better off. Well, the truth is, they're doing very well because the working people have more.

We're in a big debate in the Congress right now about whether, in the financial reform

legislation working its way through Congress, there should or should not be a continued, profound commitment to the Community Reinvestment Act, that basically says, if you've got a bank and a community and you take the community's paychecks as investments in your bank, you need to make investments in that community. The law was passed in 1977. But it was pretty well moribund until we took office. Over 95 percent of the community investment, \$17 billion, made in the 22 years of that law have been made in the 6½ years that I've been in office—investing money into poor areas and in neighborhoods and to businesses that normally couldn't get credit.

Unbelievably enough, there are people in the Congress trying to weaken that law. Our financial institutions have never been healthier—for obvious reasons. The more you spread economic opportunity, the better the rest of us do. And we have always believed, as Democrats, that if we widen the circle of opportunity, if we broaden the meaning of our freedom, if we reward every responsible citizen, if we create a community that's a bigger and bigger and bigger tent where everybody who is doing right has a chance to do well, then our country will be stronger in ways that go way beyond economics.

And every single indicator of social health—from unemployment to the rates of teen pregnancy and drug abuse and smoking—is going in the right direction. Not because all of us are always right on every issue, not even because all of us agree on every issue; but our animating philosophy is we will make the changes necessary to fit America for the 21st century and we will do it in a way that gives everybody a chance to do well and helps us to grow together, not grow apart. And I think that is profoundly important.

But what I think we should think about in the next year and a half, as we continue to fight to move forward in Congress and as we go out into the country in a new political season, is saying to people, this is not a matter of debate anymore. The evidence is in. The argument cannot be refuted. We have shown you that this is right.

And if you look at where we are now—I'd just like to mention two or three things. We've got a lot of issues before us in Congress. But if I might, let me just start with the lamentable defeat of the Patients' Bill of Rights in the Senate. Now, why in the world would anybody be against that? Well, you saw all the ads, and they say, "Oh, this is going to really raise health insurance premiums, and we wouldn't want to do that and reduce the number of people with health insurance." Remember, that's what they said—they said, "You know, if you vote for Bill Clinton's health program, the number of people with health insurance will go down." Remember they said that? "And the number of people being insured by the Government will go up." And as one Democrat said the other day, he said, "I voted for Bill Clinton's health insurance program and, sure enough, the number of people with health insurance went down and the number of people the Government was insuring went up." That's exactly what has happened. Why? Because of the cost of the burden.

Now, again, this was an argument where you had rhetoric and money on one side and reality on the other. I put in the protections of the Patients' Bill of Rights by Executive order for everybody covered by the Federal Government—Federal employees, the veterans, people on Medicare and Medicaid, they all have it. Do you know what it cost us? Less than a buck—a buck—a month a premium.

And then the Republicans had the Congressional Budget Office estimate the cost of the Patients' Bill of Rights in the private sector. And you will all remember all the arguments we've had over the Congressional Budget Office, right, as they have—they've erected a veritable statue of truth for the Congressional Budget Office. So the CBO comes in and says, well, it might cost \$2 a month. And then all of a sudden the CBO was like Rodney Dangerfield and the Republican caucus—no respect any more. And they just discarded it, said, "Well, I don't believe it; I don't believe the evidence, I don't believe the study by my own people; I don't believe it. I believe what the health insurers told me."

And what happened? For the first time—did you ever believe you'd see an article which said that the doctors of the country are thinking about joining a union, organizing a union? Did you ever think? Why? This is not rocket science. If we're going to move into the 21st century, should we manage our health care system as well as possible? You bet we should. Is there a person in this room or in this country that has a vested interest in seeing a dollar wasted when people's lives are at stake? Of course not.

Take McEntee—suppose—no, look, wait a minute. Suppose he goes to a doctor at an HMO and says, well, you might have a little blockage, come back in 6 months and I'll decide whether you should see a specialist or not. Wait a minute. This is the kind of thing that happens all the time. The doctor says, "I think you should see a specialist;" the person at the HMO says, "No, I'm not sure." And I've got a lot of sympathy—I've said this a million times—I've got a lot of sympathy for those young employees at the HMO's. Those of us who aren't so young anymore, put yourself in their position—suppose you're 25 years old and you're the first entry point on the claim. What do you know if you like your job? You will never get in trouble for saying no. Right? You never get in trouble for saying, no. They'll just kick the decision up. And you think, "Well, sooner or later this will get to a doctor and if I'm wrong, the doctor will do right." Now, it may take too long and the damage may be irreparable.

So we said, let the doctors make the call. Maybe they'll do it when they shouldn't, but it's worth the risk to save lives and to save quality of life and to save health care. We said that if you get hurt—God forbid—going out to dinner tonight, a car runs up on the curb and hits you, you ought to go to the nearest emergency room, not the one your plan happens to cover. And we said that if you're 6-months pregnant and you're having a difficult pregnancy, and you work for a small business and your employer has to change plans in the middle of your pregnancy, you shouldn't be forced to change your ob-gyn, your obstetrician. You shouldn't be forced to. Or if you're in the middle of

a chemotherapy treatment which may determine whether you live or not—which is traumatic enough anyway—and your employer has to change providers, you ought to at least finish the treatment.

And all this stuff would cost, they said, two bucks a month. So what harm could it do to give that kind of peace of mind to the country? But the HMO's said, no, so they beat it. Now, I think the HMO's would be better off if America were healthier. I mean, we'd all pay premiums, and they'd get to keep more of them because they wouldn't have to spend as much on hospital bills and surgical bills. It's just what I think.

I believe that we ought to always think about what's best for the largest number of our people and the rest of us are going to do fine. And if you look at the decisions facing us over this budget—the big issues here involve a debate that if I had told you in '92, when you were helping me get elected President, we'd be talking about now, you'd say, "You know, I like that young fellow, but he's crazy." [Laughter] If I had said to you, vote for me and in 6 years we'll be debating what to do with this surplus—you think about it; we had a \$290 billion deficit, we quadrupled the debt in 12 years—I say, "I want you to vote for me because we'll have a huge debate 6 years from now about what to do with the surplus"—you'll say "That kid is too nuts to be President." You will never be for him. Right?

So, we're having the debate. And what they say is, don't let—we seem to have an agreement, although it's not complete, on not spending the Social Security tax portion of the surplus, and putting that against Social Security. And that's a very good thing. I don't want to minimize that—although, the agreement is not complete. But then they say, "Well, we'll spend the rest of the surplus on a tax cut, we'll give the people back their money." It's very appealing—and that their tax cut is bigger than our tax cut.

What they don't say is to fund their tax cut you can do nothing to add a day to the life of the Medicare Trust Fund, with the baby boomers coming down the pike. You will have to have massive cuts in education and other domestic spending. They can't even fund my defense budget, much less the

one they say they're for. And we won't pay the debt off.

What I have done is to ask the American people to think about today, but also think about 10 and 20 years from today—what made us strong. And I just mention three things: the aging of America, the education of our children, and the health of our economy.

The aging of America means that we'll have twice as many people over 65 in 30 years as we do today—twice as many. I hope to be one of them. And we'll have more people drawing Social Security and Medicare and fewer people working. How are we going to bridge the gap? We have to make some changes in the programs, but we also have to put more money into Medicare.

Now, my plan saves most of the surplus for Social Security and Medicare. It also makes some reforms in Medicare that require people to pay more for the co-pay for the lab tests that often are overdone, and a modest increase in the part B premium according to inflation—which is pretty small, anyway—but in return, gets rid of all the co-pay for all the preventive screenings that keep us alive and keep us healthy in the first place, and starts a modest, but important, prescription drug benefit which would pay half the cost of prescription drugs, up to \$5,000, for most beneficiaries, and will give subsidies up to 150 percent of the poverty level and require no co-pay up to 130 percent, and no premium.

Now, I think this is a good thing to do. I think it will save money over the long run. It will keep people out of hospitals. It will keep people out of surgery. It will help people who are going to live longer anyway to live better, as well as helping a lot of people to prolong their lives. And it will relieve—it is not just a program for the elderly, because it will relieve their children of the financial burden of caring for them so they can invest their money raising their grandchildren.

So I believe that we should save Social Security and Medicare first. Then I believe we should continue what we've been doing the last 6 years, our investments in the things that are fundamental to our future, especially the education of our children. You know, by

next year we'll have every classroom in this country hooked up to the Internet. And because of the E-rate we'll be able to subsidize the poor schools, so even the poorest children will be able to take advantage of that. That means that it won't matter as much as it used to if they don't have enough books in the school library. All they've got to have is that hook-up and a printer and they will have just as much access to what is in the great libraries of the world as children in the wealthiest schools in this country. And I think it's important.

We gave this HOPE scholarship, this \$1,500 tax credit for the first 2 years of college, and tax credits for the other years of higher education. And we've got a proposal now that will provide people access to funds for a lifetime of training. And I think we should continue to do this. I think this is important. I don't believe that we, in this time of good economic fortune, should have a tax cut that is so big it would require us to cut education when, plainly, we need to continue to invest in it.

And the third thing I want to talk about is the health of the economy itself. You know, I used to carry around with me a sort of 10 rules of politics. And one of my rules of politics was, when someone tells you it's not a money problem, they're talking about somebody else's problem. *[Laughter]* They're never talking about their own problem. Life is far more than economics and politics is about more, but this is a better country in no small measure because more good people can find work and be rewarded for it. And, therefore, it is important for us to try to keep this economy going and to spread its benefits.

And I would just mention two things in that regard that I think are profoundly important. First of all, this new markets tour I took last week—I went to Appalachia; I went to the Mississippi Delta; I went to the Pine Ridge Indian Reservation, to East St. Louis, south Phoenix, and to East L.A. I saw the urban and rural face of continuing need in America. Secretary Slater was there with me, many others went. I saw all these people who are dying to work, saw a lot of people who are working who are poor. I saw people living in conditions that you would think are unconscionable at a time when homeowner-

ship is at an all-time high and construction is doing well.

Now, one of the big debates we have in the White House and in the Treasury Department is, how can you keep this economic growth going with unemployment under 5 percent for 2 years in a row without inflation? One way is to extend that to the areas that haven't felt it—because you get more workers and more consumers and, therefore, you won't have inflation. You'll just be literally adding to the whole rounded economic picture.

So I have asked the Congress, yes, to fund a second round of the empowerment zone program the Vice President has done such a brilliant job of running; but also to pass laws which would give people the same financial incentives to invest in the poor areas of America we give them today to invest in poor areas overseas—from the Caribbean to Latin America to Africa to Asia. That is important. And that's something we ought to do. And our friends in the Republican Party ought to be for this. They always say they want tax incentives to do everything—this is one where I agree with them, because we should lower the relative risk of taking a chance in a place that has not known this recovery. But anybody who analyzes it will tell you this is the number one opportunity we have to keep this economy going.

And the last thing I want to say about that is, if you adopt our plan for saving the surplus, most of it—for Social Security and Medicare—we cannot only provide a tax increase for families that's worth hundreds of dollars a year—to save for retirement, for child care, for long-term care—we can actually make America debt-free in 15 years for the first time since 1835.

Now, you ask yourself, why would the progressive party of America care about that? Because in the world in which we live—as opposed to the world we lived in 60 years ago, when Franklin Roosevelt had to help spend us out of the Depression—in the world in which we live the interest rates are set globally and money can cross the globe in the flash of an eye. Just think about it. If we keep paying this debt down until we're out of debt, what does that mean? That means lower interest rates; that means more

investment, more jobs, more money for wages at low inflation. It means working people have lower interest rates for house payments, car payments, credit card payments, college loan payments. It means that when there's a global financial crisis, as there was in Asia 2 years ago, we will be less affected by it. And it means the people we sell things to around the world will be able to borrow the money they need at a lower cost, too, because we won't be in there taking it away to fund our bad habits. I'm telling you, it is a gift we could give our children. It would save the lives—the lives of working people by keeping interest rates low for a very long period of time.

Now, I think we have to say, yes, America should get a tax cut, but we should save Social Security and Medicare first, and we ought to do it in a way that allows us to pay off the debt and continue to invest in education, in defense, in the environment, in the things that we have to have to keep this country going. And it will keep us coming together.

Now, I believe that is the right thing to do. But like I said, it's not just an argument anymore. Look at the evidence. Look at the evidence. When you think about all these people that are out there that are still looking for a chance, if we give them a chance, the rest of us will do better. That's what I believe.

Let me just close with this story. I went to Iowa a couple of days ago, had a great time. They had this big crowd of folks. I said, "You all ought to be glad to see me, I'm the only person that's been here in months not running for anything." [Laughter] But I was in Iowa, and I was reminded of two things—in 1993 I went to Iowa when they had that flood—you remember the flood we had along the Mississippi—500-year flood. And there I was in Des Moines, all this flood and the water everywhere. And I went over and I was stacking those sandbags and visiting with the people that were doing it. And I looked down and there was this tiny child who was 13 years old, but was the size of about a 6- or 7-year-old. And I noticed that her bones were bulging everywhere. It turned out she has that brittle bone disease that some children are born with—some children never get out of bed with it—she was

up and walking but there around people stacking sandbags, actually working.

And she had had, I think, 12 or 15 operations already, and was—never had been able to grow—and the knots where her elbows were and in all of her joints because her bones had been broken so many times. The child's name was Brianne Schwantes, I'll never forget her. And I said, "What are you doing here?" I said, "Do you live here?" She said, "No, sir, I live in Wisconsin." But she said, "You know, I saw this on television and I told my parents we ought to go down there and help those people." And I said, "Aren't you afraid of getting hurt?" She said, "Yes, but you know, I could get another break at home. I want to be part of what my country is doing." She said, "These people need all the help they can get."

Last year I went to American University to give a speech. There was Brianne Schwantes, 18 years old, a freshman at American University, with all of her friends. I brought them to a radio address, let them come see me. But what I want you to know is, every year from that year, the time I first met her till then, she kept coming to NIH getting help. NIH—paid for by taxpayers. Well, my daughter—thank God—didn't have brittle bone disease, but I think I'm better off that I live in a country that gives a child like that a chance to grow up and go to college.

I was giving a speech in Iowa, and I looked out, and there was this beautiful African-American girl smiling. The first time I saw her she was a baby, in 1992, in Cedar Rapids, Iowa. I spoke at this rally in front of the Quaker Oats plant. I was working my way through the crowd and there's this real tall white lady holding this African-American baby. And I said, "Where did you get that baby?" She smiled and she said, "That's my baby." I said, "Well, where did you get the baby?" She said, "This baby was born in Miami with AIDS and abandoned, and no one would take her. So I thought I should."

So I got so interested in this woman and I figured, well, gosh, it's nice that a nice middle class lady in a place like Iowa would do this. Guess what—this woman had been abandoned by her husband, was raising two children on her own, living in an apartment

where she could barely pay the rent. But she cared enough about a baby she never knew to take this child with AIDS, not knowing whether she would live.

I have seen that child about once a year since 1992. That child was permitted to come to the NIH to get good treatment. And when I was giving that speech in Iowa and I looked out—she is tall now, probably above average height for her age, a perfectly beautiful child, smiling, lighting up the room. She jumped in my arms, and I said, “Jimiya, you’re about to get so big I can’t hold you anymore.”

What I want to tell you—what’s all that got to do with this? I’m glad I live in a country which gave that child a chance to have a life. I’m glad I live in a country where people like her mother, who had no rational way in the world she should have given that child a home, but she did. And what I want to say to you is, I’m not running for anything, but, darn it, we were right. We have evidence. We were right about Social Security and Medicare. And we’re right about keeping our commitments to education. And we’re right about trying to reach out and give people who haven’t been part of this economic recovery a chance to be part of it. And we’re right about trying to secure our economic health for the long term. And we’re right about not cutting anybody out, but cutting everybody in.

And so you gave those ideas the chance to be proved right. I am profoundly grateful that I had the opportunity to be President. I am very grateful I am still President because I think we can do some of the most important things that this administration has done in the next year and a half. But what I want you to do when you go home tonight is to know in the marrow of your bones that what you always believed was right is right, and that you have had a chance to demonstrate that you don’t have to debate anymore, you don’t have to worry, you don’t have to argue.

And tomorrow and every tomorrow from now on, you will be able to stand up with greater confidence in what you believe because it works. And when you get discouraged and when you worry whether if they outspend us by \$3 million or \$4 million, we can prevail, just think about those two little

girls. And you will know, you will know, that it’s worth fighting for that kind of America for all the children of this country in the 21st century.

Thank you, and God bless you.

NOTE: The President spoke at 9:03 p.m. in the State Room at the Mayflower Hotel. In his remarks, he referred to John J. Sweeney, president, AFL-CIO; former Gov. Roy Romer of Colorado, general chair, Democratic National Committee; former Deputy Chief of Staff Harold Ickes; former White House assistant Janice Enright; Gerald W. McEntee, president, American Federation of State, County and Municipal Employees; Laura Poisel and her adoptive daughter, Jimiya, who was born with AIDS; and Alfonso Fanjul, who hosted a Democratic National Committee dinner in Coral Gables, FL, on July 13.

Remarks on the Comprehensive Test Ban Treaty and an Exchange With Reporters

July 20, 1999

The President. Good morning. I have just had the privilege of meeting with the three Apollo 11 astronauts who, 30 years ago, carried out the first landing on the Moon: Neil Armstrong, Buzz Aldrin, and Michael Collins. They and everyone at NASA over the years have made an extraordinary contribution to our Nation and to humanity. I am very grateful to them.

President Kennedy, who set a goal of putting a man on the Moon by the late 1960’s, was committed to using technology to unlock the mysteries of the heavens. But President Kennedy was also concerned that technology, if misused, literally could destroy life on Earth. So another goal he vigorously pursued was one first proposed by President Eisenhower, a treaty to ban for all time the testing of the most destructive weapons ever devised, nuclear weapons.

As a first step, President Kennedy negotiated a limited test ban treaty to ban nuclear tests except those conducted underground. But for far too long nations failed to heed the call to ban all nuclear tests. More countries sought to acquire nuclear weapons and to develop ever more destructive weapons. This threatened America’s security and that

of our friends and allies. It made the world a more dangerous place.

Since I have been President, I have made ending nuclear tests one of my top goals. And in 1996 we concluded a Comprehensive Test Ban Treaty; 152 countries have now signed it, and 41, including many of our allies, have now ratified it. Today, on Capitol Hill, a bipartisan group of Senators is speaking out on the importance of the treaty. They include Senators Jeffords, Specter, Daschle, Biden, Bingaman, Dorgan, Bob Kerrey, Levin, and Murray. I am grateful for their leadership and their support of this critical agreement.

And today I want to express, again, my strong determination to obtain ratification of the Comprehensive Test Ban Treaty. America already has stopped nuclear testing. We have, today, a robust nuclear force and nuclear experts affirm that we can maintain a safe and reliable deterrent without nuclear tests.

The question now is whether we will adopt or whether we will lose a verifiable treaty that will bar other nations from testing nuclear weapons. The Comprehensive Test Ban Treaty will strengthen our national security by constraining the development of more advanced and more destructive nuclear weapons and by limiting the possibilities for more countries to acquire nuclear weapons. It will also enhance our ability to detect suspicious activities by other nations.

With or without a test ban treaty, we must monitor such activities. The treaty gives us new means to pursue this important mission, a global network of sensors and the right to request short notice, on-site inspections in other countries. Four former Chairmen of the Joint Chiefs of Staff—David Jones, William Crowe, Colin Powell, and John Shalikashvili—plus the current Chairman, Hugh Shelton, all agree the treaty is in our national interests. Other national leaders, such as former Senators John Glenn and Nancy Kassebaum Baker, agree.

Unfortunately, the Test Ban Treaty is now imperiled by the refusal of some Senators even to consider it. If our Senate fails to act, the treaty cannot enter into force for any country. Think of that. We're not testing now. A hundred and fifty-two countries have signed, 41 have ratified, but if our Senate

fails to act, this treaty and all the protections and increased safety it offers the American people cannot enter into force for any country. That would make it harder to prevent further nuclear arms competition, and as we have seen, for example, in the nuclear tests in India and Pakistan.

Do we want these countries and other regional rivals to join a test ban treaty, or do we want them to stop nuclear testing? Do we want to scrap a treaty that could constrain them? The major nuclear powers, Britain and France, Russia and China, have signed the treaty. Do we want to walk away from a treaty under which those countries and scores of others have agreed not to conduct nuclear tests? I believe it is strongly in our interest to ratify the Comprehensive Test Ban Treaty.

The American people consistently have supported it for more than 40 years now. At a minimum, the Senate Foreign Relations Committee should hold hearings this fall. Hearings would allow each side to make its case for and against the treaty, and allow the Senate to decide this matter on the merits. We have a chance right now to end nuclear testing forever. It would be a tragedy for our security and for our children's future to let this opportunity slip away.

I thank those Senators in both parties who today are announcing their clear intention not to do that.

I thank you.

China and Taiwan

Q. Mr. President, did Jiang Zemin tell you that he would use force to counter Taiwan's independence? And would you use force in Taiwan's defense?

The President. First let me tell you I'm going to have a press conference tomorrow, and I will answer a lot of questions. The answer to that question is, we had a conversation in which I restated our strong support of the "one China" policy and our strong support for the cross-strait dialog, and I made it clear, our policy had not changed, including our view under the Taiwan Relations Act that it would be—we would take very seriously any abridgement of the peaceful dialog. China knows very well what our policy is, and we know quite well what their policy is. I believe that the action of the United States

in affirming our support of the “one China” policy and encouraging Taiwan to support that and the framework within which dialog has occurred will be helpful in easing some of the tensions. And that was the context in which our conversation occurred.

So I thought it was a very positive conversation, far more positive than negative. And that is the light in which I meant it to unfold, and I think that is the shape it is taking. So——

Q. The Chinese seemed to make it clear that he would use force——

Anti-Ballistic Missile Treaty and Kyoto Treaty

Q. On the treaty, Senator Helms says that he would be happy to hold hearings if you would send up the ABM Treaty and the Kyoto treaty. Will you?

The President. Look, the ABM Treaty—we have to conclude START II first; that’s in our national interest. The Kyoto treaty—all the people who say they’re not for the Kyoto treaty insist that we involve the developing nations in it; I agree with them. Even the people who are against the Kyoto treaty under any circumstances say, well, if you’re going to have it you’ve got to have the developing nations in there. So it’s inconsistent for me to send it up when we’re out there working ourselves to death to try to get the developing nations to participate.

Now, this is a relatively new issue, the Kyoto treaty. And the other issue is not ripe yet, clearly, not ripe yet. So to take a matter that has been a matter of national debate for 40 years now, and it is finally a reality—a treaty that has been ratified by 40 other countries, the prospect of dramatically increasing the safety of the American people in the future—and hold it hostage to two matters that are literally not ripe for presentation to the Senate yet would be a grave error, I think. And I hope that we can find a way around that.

Thank you.

NOTE: The President spoke at 11:43 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Jiang Zemin of China.

Remarks to Representatives of the Legal Community

July 20, 1999

Thank you. Let me say to all of you, I can’t do any better than that. *[Laughter]* It was terrific. I wish every newspaper in American would reprint those remarks. Thank you, sir. Thank you very much.

I want to thank you all for coming. What a wonderful group we have here. First, I thank Attorney General Reno and Deputy Attorney General Holder for the wonderful job they do in so many ways. Associate Attorney General Fisher is here with them and Bill Lann Lee of the Civil Rights Division. One big civil rights issue is getting him confirmed, I might add. *[Applause]* Thank you.

I thank Secretary Slater and Secretary Daley for joining us, and Ben Johnson, who runs our one America Initiative; and Chris Edley, who used to be part of our administration—still is—I just don’t have to pay him anymore. *[Laughter]*

Thank you, Senator Leahy and Congressman Becerra, for coming. I think there are at least two people in this room, Jerry Shestack and Bill Taylor, who were here in 1963 with President Kennedy. I thank them for coming. Thank you, Mayor Archer, for coming—former Secretary of State Warren Christopher, former Attorney General Benjamin Civiletti.

There are so many people here—I just have to mention one person because it’s my most intimate, personal acquaintance with affirmative action, the president of the American Bar Association, Phil Anderson, gave me a job in 1981, when I was the youngest former Governor in American history—*[laughter]*—with dim future prospects. So I thank him for being here, as well. *[Applause]* Thank you.

And I’d like to say a special word of appreciation to the man who directs our national service program, Senator Harris Wofford, who was very intimately involved with President Kennedy’s civil rights initiatives. Thank you for being here, sir, today.

As has been pointed out, President Kennedy called more than 200 of America’s leading lawyers to this room 36 years ago, the

summer of 1963—when America was awakening to the fact that in our laws and in our hearts, we were still far short of our ideals.

It is difficult today to imagine an America without civil rights. But when I came here 36 years ago in the summer of 1963, as a delegate to American Legion Boys Nation, there were only four African-American boys there, and the hottest issue was what we were going to do about civil rights.

It didn't seem so inevitable back then. Across my native South, there were sheriffs, mayors, Governors defying the courts; police dogs attacking peaceful demonstrators; firehoses toppling children; protesters led away in handcuffs; and too little refuge in the hallowed sanctuary of the law.

It was in this atmosphere that the President turned to America's lawyers and enlisted them in the fight for equal justice. With Vice President Johnson and Attorney General Robert Kennedy at his side, the President asked the lawyers there to remember their duty to uphold justice, especially in places where the principles of justice had been defied.

The lawyers answered that call, creating a new Lawyers' Committee for Civil Rights Under Law and a new tradition of pro bono service in the legal profession. I asked you here today because we need your help as much as ever in our most enduring challenge as a nation, the challenge of creating one America. We have worked hard on that here. In the audience today I see Dr. John Hope Franklin, Governor William Winter, Judy Winston. I think Angela Oh and Dr. Suzan Johnson are here, but I haven't seen them yet—people who worked on this for me to shine a special spotlight on the issues. And we have now institutionalized that effort insofar as we can in the White House. But there is a limit to what we can do without you.

Just as your predecessors, with the Constitution as their shield, stared down the sheriffs of segregation, you must step forward to dismantle our time's most stubborn obstacles to equal justice—poverty, unemployment and, yes, continuing discrimination. Behind every watershed event of the civil rights struggle, lawyers, many pro bono, remain vigilant, securing equal rights for employ-

ment, education, housing, voting, and citizenship for all Americans. Their success, as you just heard from Bill—every time a lawyer does that, it inspires a whole new generation of people to seek the law as a career. I suspect many of us were inspired to go to law school because we thought lawyers were standing up for what was right, not simply because they were making a good living.

Thirty-six years ago, in that 200, there were 50 African-American lawyers. They came to the White House, but they couldn't have found the same welcome in the hotels, restaurants, and lunch counters of America—a cruel irony.

Today, thanks in large measure to the efforts of our lawyers, Americans of all backgrounds and colors and religions are working, living, and learning side by side. The doors of opportunity are open wider than ever. We are living in a time of unprecedented prosperity, with the longest peacetime expansion in our history and the lowest African-American and Hispanic unemployments ever recorded since we began to keep separate data in the early 1970's. Our social fabric is mending, with declining rates of welfare, crime, teen pregnancy, and drug abuse.

But the challenge to build one America continues. It is different, but it is just as real as it was when Vernon Jordan started with the Urban League as a young man, or before he was working in the South on registering voters. I saw firsthand in the new markets tour I took a couple of weeks ago, we will never be one America when our central cities, our Indian reservations, our small towns and rural areas here in the most prosperous time in history are still living in the shadows of need and want. They're struggling with unemployment and poverty rates more than twice the national average—over 70 percent on some of our reservations. Your fellow Americans, many of them, are living in houses that it would sicken you to walk through—at the time of our greatest prosperity.

Everything President Johnson worked for and dreamed of that he thought could happen after all these years has still not reached quite a large number of your fellow Americans. So, what are we going to do about it?

We know that two out of five African-American and Latino children under the age of 6 are still in poverty, in spite of all of our prosperity, in spite of the fact that a million children were lifted out of poverty just in the last couple of years. We also know that we can't be one America when a lot of minorities still distrust law enforcement and our legal system generally and shy away from entering the legal profession.

We can't be one America when, here we are, on the eve of the new millennium, when we act as if everything good will happen and all the rationality will fade away, but we still have to read about brutal killings like those in Indiana and Illinois, allegedly conducted on the basis of religious conviction; or what happened in Jasper, Texas; or to Matthew Shepard in Laramie, Wyoming.

The struggle for one America today is more complex than it was 36 years ago, more subtle than it seemed to us that it would be back then. For then, there was the clear enemy of legal segregation and overt hatred. Today, the progress we make in building one America depends more on whether we can expand opportunity and deal with a whole range of social challenges. In 1963 the challenge was to open our schools to all our children. In 1999 the challenge is to make sure all those children get a world-class education.

And of course, if I could just expound on that for a moment, we've worked hard on that. And one of the things we have to do is to bring teachers to the communities where they're needed most. I offered an initiative to give scholarships to young people who would go and teach in inner-city or rural schools that were underserved. And I call for these scholarships as part of our race initiative. I believe they will make a real difference.

The efforts we have made to make the class sizes smaller and to bring the Internet to all of our kids, even in the poorest classrooms, these things are beginning to make a difference. The hundreds of thousands of people who have gone into the elementary schools to teach people to read are making a difference. I can tell you that in the last 3 years we have seen, for the first time in a very long time, at the 4th, 8th, and 12th grade level substantial improvements in

reading scores, our children moving up about half a grade level. But there is a long way to go.

Last year, just before the election, the Congress came together across party lines, and I shouted, "hallelujah," because they voted to create and fund—to create 100,000 school teachers to lower class size in the early grades, something we know that is particularly important to poor children and people who don't come from strong educational backgrounds. And we now have the research that shows it has continuing benefits. I just released the funds to hire the first 30,000 of those teachers.

But now, unbelievably, in this non-election year—although you wouldn't know it from reading the press—[laughter]—there are some who propose to kill the class size initiative and replace it with a program that doesn't guarantee that one red cent will go to hiring a single teacher or reducing the size of a single class. Now, this is very important because we now, finally, for the last 2 years, have a student population that is bigger than the baby boom generation. So it is not only the most diverse in history, it is the largest in history; and about 2 million teachers are scheduled to retire in the next few years.

I'm happy to report, I hope in part because of the importance of education rising in the national consciousness, as the Secretary of Education told me 2 days ago, that we now have 10 percent of our college students saying they're considering being teachers. That's twice the percentage of 5 years ago, and that's encouraging. But we have to get them in the classroom.

So if the research says it's a good idea, if we voted to do it, if we've already funded 30,000 of the teachers, why in the world would we turn around and reverse field? The people who want to kill the 100,000 teacher initiative say they want to do it because they want to improve the quality of the existing teacher core. Well, I'm for that, and we've set aside sums to do it. But that shouldn't be a cover for the fact that we've got to do more to lower class size in the early grades, especially for our poorest children, especially for our minority children, especially for all these children whose first language is not even English.

Across the river here in Alexandria we have kids who literally speak 100 different languages as their native tongue, from 180 different racial and ethnic groups. We cannot afford to back up on this. I also believe very strongly that it would be wrong to pass a risky tax scheme before we first fund education and make sure we can save Social Security and Medicare, something that also has a big impact on minority communities in our country and will have a huge impact on the ability of the baby boom generation to retire in dignity without imposing new burdens on their children and their grandchildren, just as many of them are moving into the middle class for the first time in their family's history.

So I hope that—this is a nonlegal issue, but since all of us, as our detractors never tire of saying, are overeducated—those of you who believe in education will stand with us as we try to preserve this important reform. Well, strengthening our schools is important, and bringing economic opportunity to those places that I visited and all those places like them in America, it is absolutely essential. But what I asked you here today for was to simply say we still need lawyers. We need the work lawyers do. We need the ideas lawyers get. We need the dreams lawyers dream. We still need people to fight for equal justice.

And so I ask you to do two things today. First, I ask you to recommit yourselves, as Bill has asked, to fighting discrimination, to revitalizing our poorest communities, and to giving people an opportunity to serve in law firms who would not otherwise have it. You can help inner-city entrepreneurs negotiate loans to start new businesses. You can help neighborhood health clinics navigate the regulatory mazes they have to do to stay open. You can help nonprofits secure new supermarkets and merchants in underserved communities. Just for example, those of you who come from urban areas, today in the highest unemployment urban areas in America, there is still at least a 25 percent gap between the money that the people who live there earn and have to spend to support themselves and the opportunities they have to spend it in their own communities.

In East St. Louis, where I visited, there is a 40 percent gap. We went to a Walgreens

store that was the first new store to open in the inner city in 40 years. Mayor Archer here is exhibit A. The unemployment rate in Detroit is less than half what it was in 1993 when I took office, because he convinced people that there were people in his community that could work and that were already working and that had money to spend and that they ought to be part of the future. And we need to do that everywhere, and that work cannot be done without legal assistance.

And it is a civil rights issue. It is a civil rights issue for people to have jobs and dignity and a chance to start businesses and the chance to be able to shop in their own neighborhoods and walk to the grocery store, instead of having to ride a bus and wait on the schedule and stand in the rain and do all the things people have to do. It is a huge issue. And if we can't do it now, we'll never get around to doing it. So I ask you to help us with that.

I hope you will help me to pass my new markets initiative, because what it says is, we're going to give people the same incentives to invest in inner cities and rural areas and Indian reservations, the same incentives to invest there we give them to invest in the Caribbean, in Africa, in Latin America and Asia. I don't want to repeal those incentives; I want Americans to help poor people all over the world rise up. But they ought to have the same incentives to invest in poor people right here at home, and I hope you'll help me do that.

The second thing I want you to do is to set the best possible example. Mr. McBride has spoken better than I can. We may have torn down the walls of segregation, but there are still a lot of walls in our hearts and in our habits. And sometimes, we can—we are not aware of those walls in our hearts, but we have to test them against our habits. So invite more lawyers of all backgrounds to join your firms. How are we going to build one America if the legal profession which is fighting for it doesn't reflect it? We can't do it.

I am so pleased that the organizations here have made the commitments they've made to diversity and to pro bono work. I thank the American Bar Association, the Corporate Counsel Association, for pledging to launch new initiatives to promote greater diversity

in the profession. The ABA will bring together lawyers and academics, law firms and bar associations, to provide financial aid to minority law students and to mentor them as they embark on their legal careers. We've got to do more work to mentor them before, in the places that have tried to do away with affirmative action—I believe wrongly—sometimes under court decisions with which I respectfully disagree. But if you don't get there in the first place, it won't matter if there's someone helping you once you do get there.

The Counsel Association has promised to encourage its 11,000 members to hire more minority-owned law firms and to dedicate more of their resources to pro bono legal work in communities. I thank the hundreds of law firms who have agreed to dedicate at least 3 percent of billable hours—about 50 hours a year per lawyer—to pro bono work, which is the ABA standard. As Bill pointed out, this booming economy has been pretty good to America's lawyers and law firms. Last year, top firms increased their revenues by 15 percent. There will never be a better opportunity to help those who need it most. If Mr. McBride's firm thought it was a good idea, it's probably a pretty good idea for other firms, as well.

And there's one other point I would make, following on what he said. I think it's good business strategy over the long run, not only for all the reasons you said, but because the recovery of the last 6 years has proved a fundamental thing about a community: that is, when other people, particularly people who haven't had a chance, do well, those of us that are in a position to take it, that are going to do all right, regardless, do better. When the least of us do well, the rest of us do better. We are all stronger. And we should never forget that.

So I hope every American firm will meet the ABA standard. Just imagine this: if every lawyer in America—about 800,000—dedicated just 50 hours a year to pro bono work, that would be 40 million hours of legal help. That's a lot of personal problems solved, a lot of headaches gone away, a lot of hurdles overcome, a lot of business started. Think of what we could do.

A 1993 ABA study found that half of all low income households had at least one serious legal problem each year, but three-quarters had no access to a lawyer. Now we can fill that gap. Now America's lawyers can afford to fill that gap. And I would argue, if we really believe in equal justice we cannot afford not to fill that gap.

I want to thank the Association of American Law Schools for pledging to help more schools incorporate community service in their curriculum—something I strongly believe in—so that more law graduates will come out of law school predisposed to do volunteer work and pro bono work. All these are wonderful pledges. I thank the presidents of the ABA, the Minority Bar Associations here, the American Corporate Counsel Association, the representatives of the San Francisco and New York City bars, the cochairs to the Lawyers' Committee for Civil Rights for agreeing to meet every month.

You heard what Eric Holder said—for our part the Justice Department, working with Ben Johnson and the White House Office on One America, will do whatever we can to support these efforts. And a year from now, we'll gather again and see where we've succeeded and where we need to do more. I don't want to wait another 36 years. I ask you to work on this. I want it to be steady work for America's lawyers.

I ask Eric Holder and Neal Katyal of the Justice Department to report to me on the progress. We will know we have succeeded if more lawyers begin to make community service a vital part of their practice. We will know we will have succeeded when we have more businesses, more health clinics, more affordable housing in places once bypassed by hope and opportunity. We'll know we'll have succeeded when our law schools, our bar associations, and our law firms not only represent all Americans, but look like all America.

One of the best things Dr. King ever said was that "the arc of the moral universe is long, but it bends toward justice." Our Nation's lawyers have bent that arc toward justice. Our Nation has been transformed for the better. So I ask you again to lead us along that arc—from the America we know to the one America we all long to live in.

Thank you very much.

NOTE: The President spoke at 3 p.m. in the East Room at the White House. In his remarks, he referred to Robert B. (Ben) Johnson, Assistant to the President and Director of the President's Initiative for One America; Judith A. Winston, Executive Director, One America in the 21st Century; The President's Initiative on Race; John Hope Franklin, Chairman, Christopher Edley, consultant, and Angela E. Oh, Suzan D. Johnson Cook, and Mayor Dennis W. Archer of Detroit, members, President's Advisory Board on Race; former Gov. William Winter of Mississippi; Jerome J. Shestack, former president, American Bar Association; civil rights attorney William W. Taylor III, Zuckerman Spaeder law firm; Bill McBride, managing partner, Holland & Knight law firm, who introduced the President; and Neal Kumar Katyal, Adviser for National Security to the Deputy Attorney General, Department of Justice.

Statement on Signing the Y2K Act *July 20, 1999*

Today I have signed into law H.R. 775, the "Y2K Act." This is extraordinary, time-limited legislation designed to deal with an exceptional and unique circumstance of national significance—the Y2K computer problem.

In signing this legislation, I act in the belief and with the expectation that companies in the high technology sector and throughout the American economy are serious in their remediation efforts and that such efforts will continue. Many have worked hard to identify the potential for Y2K failures among their systems and products, taken reasonable measures to inform those who might be injured from Y2K failures of steps they could take to avoid the harm, and fixed those systems and products, where feasible. If nonetheless there are significant failures or disruptions as we enter the Year 2000, plaintiffs will turn to the courts seeking compensation. Responsible companies fear that they will spend millions or more defending Y2K suits, even if they bear little or no responsibility for the harm alleged. Frivolous litigation could burden our courts and delay relief for those with legitimate claims. Firms whose productivity is central to our economy could

be distracted by the defense of unwarranted lawsuits.

My Administration sought changes to make the Y2K Act balanced and fair, protecting litigants who are injured and deserve compensation. We achieved some additional protections. For example, the Y2K Act was modified to ensure that the Federal law leaves intact the State law doctrines of unconscionability that protect unwary consumers and small businesses against unfair or illegal contracts and that public health, safety, and the environment are protected, even if some firms are temporarily unable to comply fully with all regulatory requirements due to Y2K failures.

In addition, the Y2K Act expressly exempts Y2K actions involving private securities claims arising under the Securities Act of 1933 and other Federal securities laws that do not involve actual or constructive awareness as an element of the claim (e.g., section 11 of the 1933 Act). More generally, actions by the Securities and Exchange Commission are excluded from the definition of "Y2K Action."

This is narrow, time-limited legislation aimed at a unique problem. The terms of the statute should be construed narrowly to create uniform Federal rules for Y2K actions in the areas specified in the bill, and to leave in place State law not in direct conflict with the bill's provisions. Moreover, my signature today in no way reflects support for the Y2K Act's provisions in any other context.

I hope that we find that the Y2K Act succeeds in helping to screen out frivolous claims without blocking or unduly burdening legitimate suits. We will be watching to see whether the bill's provisions are misused by parties who did little or nothing to remediate in order to defeat claims brought by those harmed by irresponsible conduct.

In the remaining days of 1999, I hope that the business community redoubles its efforts at remediation. Preventing problems before they start, and developing contingency plans when necessary, are still the best solutions to the Y2K problem.

William J. Clinton

The White House,
July 20, 1999.

NOTE: H.R. 775, approved July 20, was assigned Public Law No. 106-37.

Remarks to a Democratic Business Council and Women's Leadership Forum Dinner

July 20, 1999

Thank you very much. I want to thank you all for your welcome, and I want to thank my good friend Janice for her instruction. I did know, as a matter of fact, that she was from a place called Hope. I didn't know that I had the endorsement of her father in quite that way. *[Laughter]* But I appreciate it more than I can say.

I want to thank John Merrigan and Penny and Susie, and I want to thank Joe Andrew and Beth Dozoretz and all of you who have worked so hard to put our party on the soundest financial footing. I think Mr. Merrigan said we were out of debt for the first time since '91. I should point out that we were outspent by \$100 million in 1998 and still picked up House seats, the first time it had happened in the sixth year of an administration since 1822.

I say that to say that it is not necessary that we have as much money as the other side does. You know, the economy the Democrats have built has been an equal opportunity beneficiary. And so we have showered benefits on Republicans, as well as Democrats. And if they choose to misspend their money, there's nothing we can do about it, is there? *[Laughter]* It's a free economy. But it is necessary that we have enough. And if we have a good message and we stand for the right things and our people are excited, then that is enough, and I thank you for that.

We were talking at our table—I have a friend who is a New York Democrat who heads quite a large American company, and he said he'd gotten so exasperated with these Republicans throwing their money around he started going up to his friends in New York saying, "You should give money to the Republicans—if your taxes went up in 1993 by more than you've made in the stock market, support them. But if the balanced budget and the low interest rates and the tripling of the stock market have benefitted you

more, you ought to be for us. And if you're not, you're not even acting in your own best interest, much less the country's." *[Laughter]*

I want to talk to you just very briefly tonight, not so much about your own best interests, but about our own best interests. And I want to begin by thanking all of you. Thank you for your support, many of you for your repeated support over these years; some of you for your involvement in this administration, like Dr. Susan Blumenthal—thank you very much for being here. Thank you for being so good to me and Hillary and to Al and Tipper Gore. And thank you for doing something that has been very good for America.

I want to make just a few brief points, in case somebody tomorrow gives you a quiz and asks you why you came tonight. This country was in trouble in 1991 and 1992. It was in trouble because we had been in a prolonged recession, but even more because we kept coming out of these recessions and dripping back in, coming out and drip back in. We hadn't had any sustained growth for some time. It was in trouble because the crime rates and the welfare rolls were rising. It was in trouble because our country was becoming more divided. It was in trouble because the political debate in Washington left most Americans cold, because there seemed to be a debate between people who essentially were against the Government doing anything and people who wanted to preserve the status quo of what the Government had been doing. The country was in trouble.

I ran for President because I had some ideas about how we could change things. I believed that we could create a country again in which there was opportunity for every responsible citizen, in which we had a community of all Americans who were responsible for themselves and for each other, in which we led the world for peace and freedom and prosperity. But I didn't think we could do it by having the same old fights in the same old way. And I knew if the people gave me a chance to serve, some difficult decisions would be required.

Well, it worked out. And we said, look, we're going to cut this deficit, get interest rates down, and grow the economy; but we still have to invest in education, in medical

research, in technology, and the environment—we have to do that. We said we want more money in education, but we want higher standards and more competition, too. We said we believe you can grow the economy and improve the environment. We said we thought that you could create a society where people who had to work and had children could succeed at work and at home. And a lot of that just kind of sounded like political rhetoric at the time.

But what I want to say to you tonight is when people ask you why you were here, say, “Look, the country was in trouble; we elected the Clinton-Gore administration; they had friends and allies in the Government and the Congress and in the private sector; they implemented their ideas; most of the time—not all of the time, but most of the time—they were opposed by members in the other party, and it worked out.” Our approach turned out to be right. That’s what Janice was saying. This is no longer subject to serious debate.

I was told for 2 years—I saw the Republicans go into the ’94 election telling everybody how we’d raise taxes on people we hadn’t raised taxes on, and how terrible it was and how it was going to bankrupt the country and run the debt up. And we went from the biggest deficit in history to the biggest surplus in history, the longest peacetime expansion in history, almost 19 million new jobs, the highest homeownership in history, the lowest minority unemployment ever recorded since we started keeping that data almost 30 years ago. In addition to that, we have the lowest crime rate in 26 years, the lowest welfare rolls in 30 years; and teen pregnancy, teen drug abuse, teen smoking are declining. Things are moving in the right direction in this country.

So I say to you, first, thank you because we have moved this country in the right direction. We did it and proved you could have a better environment. The air is cleaner; the water is cleaner; the food is safer. Ninety percent of our kids are immunized against childhood diseases for the first time in the history of America. Over 100,000 young people have served their communities in AmeriCorps in 4 years; it took the Peace Corps 20 years to get to 100,000 people. We have virtually

opened the doors of college to every American with the HOPE scholarship and the other tax credits and student loans. This is a stronger country than it was in 1992.

And we have done it by relentlessly pushing to bring people together, standing against discrimination and against hatred and against the politics of division. When I say “we,” I don’t mean “me”, “we”—I mean, “we”: we, our party, our allies, the people that believed as we did. And along the way we’ve been a force for peace in the Middle East, in Northern Ireland, in Bosnia, in Kosovo. We stood up against terrorism and stood up for trade and human rights around the world.

Today I asked the United States Senate to ratify the Comprehensive Nuclear Test Ban Treaty, first advocated by Presidents Eisenhower and Kennedy, first signed by the United States. I signed it at the U.N. a couple years ago. We are moving the country in the right direction, toward a world that works better for all the people. That’s the first thing I want to say.

We’re entitled to the benefit of the doubt on the great debates going on in Washington today because we just had 6 years of argument and it turned out we were right. And I say that in all humility. I am grateful for that. The point I’m trying to make is, Joe Andrew always says, “Well, why is Bill Clinton doing this? He’s not running for anything.” I came here to say not that I was right, but that our ideas were right. And I am grateful that I had the chance to be President, to be the instrument of brining the country together and moving it forward. But it wasn’t me; it was that the ideas we had were right. And you’ve got to get out there between now and the next election cycle and hammer that home.

Before I took office they were killing family leave because it was going to bankrupt small business. I signed the family leave bill, first thing I did—so we’d have 15 million people take advantage of it. The largest number of small businesses formed in any given year—every single year I’ve been President has broken a new record. So the family leave law did not wreck the small business economy, it made America a place where you could have work and family.

And they vetoed and killed the Brady bill before I became President. So I signed it first chance I got. And 400,000 people couldn't get guns because they had criminal backgrounds. And we have a 26-year low in the crime rate. And we've got 100,000 more police on the street, even though on the otherside of the aisle they said, "This won't make a lick of difference; these police will never get out there." Well, we funded them ahead of time and under budget and we have a 26-year low in the crime rate.

So as Democrats we should be proud—not proud as if we did it, proud that the ideas we stood for were the right ones and that it actually works when you try to create a society where everybody has a chance, all the rest of us who are going to do fine regardless, do even better; that we all do better when we try to create opportunity for each other, when we try to make sure we're responsible for each other in an appropriate way and we try to pull together.

Now, the second thing I want to say is we have to take that fast-forward to today. What's the great debate in Washington today? What are we going to do with the surplus? Now, if I had been running in '92 and I had come to you and you had never seen me before, and I said, I want you to vote for me so that 6 years from now we'll be having a debate about what to do with the surplus, you would have sent me home to Arkansas. [*Laughter*] You would have said, "This guy has lost it; he doesn't understand. We've got a \$290 billion deficit; we will always have deficits."

So what are we going to do with it? First, the good news. There's a bipartisan agreement that we shouldn't spend the Social Security surplus. That means until we need it to pay for Social Security, we can use it to pay down the debt, and that's good. I think we have that agreement. I want to see the details, but I think we do. That's good. Now the question is what to do with the rest of the surplus.

Here's what we feel. We feel what we should do is to do the following things. Number one, we should fix Medicare and provide a prescription drug benefit. Number two, we should have appropriate money set aside to continue to invest in education, national de-

fense, biomedical research, and the environment. Number three, we believe that as the interest on the debt comes down, because our interest payments will come down as the debt comes, we should put the savings into Social Security so we can run the Trust Fund out to 2053. So when I leave office everybody will know Social Security is all right for at least 50 years, and we can quit worrying about it. Now, that's what we think.

And you can do what we suggest and still have a tax cut, a substantial one. They believe that virtually all the non-Social Security surplus should go to a tax cut. And they think it sounds really popular—"my tax cut is bigger than your tax cut"—well, if that were the whole story that would sound like a pretty good argument. But I say we ought to save Social Security and Medicare and not just pay down the debt but make this country debt-free for the first time since 1835 and continue to invest in education.

We'll still have money for a tax cut to help families save for long-term care, for child care, for investments in our country. But we will continue—we will not risk running a deficit, destroying the education budget, not meeting our defense responsibilities, or not doing one single thing to add a day to the solvency of Medicare, and not providing the prescription drug benefit. That's the difference. That's the choice.

So it's just all back to 1993 again, or even back earlier than that. Most of you in this room, what are you doing here? You're all in upper income groups; you ought to be at their deal, not ours. Why are you here? You get more money out of their tax cut. This is very important, why you're Democrats, why I am. But 5 years from now you're going to be a lot better off, and so is America, if we pay down the debt, save Social Security and Medicare, continue to invest in education, and have a modest tax cut we can afford.

You know, if you just think about just three great challenges this country faces, we're going to double the number of people over 65 in 30 years. We hadn't been in this kind of financial shape in forever and a day. What in the world are we going to say to our children if we walk away from this opportunity to run the Social Security Trust Fund out

at least 50-plus years? What are we going to say if we walk away from our obligation to run the Medicare Trust Fund out until 2025 or beyond, and to provide all these elderly people—not all of them poor, a lot of them middle class—a little help in dealing with the prescription drug program?

What are we going to say if we adopt a tax cut which causes us to cut education when we ought to be investing more in it? What are we going to say when 5, 10 years from now some Kosovo comes along and America is asked to stand up for human rights around the world? We'd say, "Well, we'd like to do it, but we had that tax cut"—[laughter]—"and I needed that tax cut."

Closer to home, what are we going to say—I've been waiting for this, and I never wanted to be the first to raise it because I wouldn't have had credibility on it, but now it's in the press—what are we going to say if they cut taxes and the markets say, "Well, we don't need a tax cut in the economy like this; we better raise interest rates?" So you get it with one hand and get it taken away with the other and everything gets squeezed.

So I say to you we ought to save Social Security and Medicare; we ought to continue to move forward in education. And I want to talk just a minute about this paying the debt down. A lot of people—it just seems so alien; it's like an alien subject—we haven't been out of debt since 1835. And for most of this century we shouldn't have been out of debt. We needed to have a little debt to invest in infrastructure or to expand the economy in times of recession or outright depression. But it's different now. Why is it different now?

I want you all to think about this. You may not agree with me on this. I've really thought about this a lot. Why should the Nation's progressive party be for taking the country out of debt in 1999 when we have still an unconscionably large number of poor children and any number of things that we ought to be spending this money on? Here's why. We're living in a global economy. Interest rates are set globally; money moves globally. The best thing we've done for poor people in America is create 19 million new jobs and give tax relief to lower income working people and raise the minimum wage—to create an econ-

omy, in other words, that they could be a part of; to support the Vice President's empowerment initiative and the community development banks and all the things we've done to try to bring jobs.

Now, if we get out of debt and if everybody knows we're on the target, we're going to be out of debt in 15 years, what happens? Interest rates stay down, investments stay high, more jobs are created with inflation low, more money for wage increases. Average people pay lower interest costs for home mortgages, car payments, credit card payments, and college loan payments. And the next time a global financial crisis comes along, like the one in Asia, nobody has to worry about America gobbling up scarce dollars and driving the price of money up. So when our trading partners, who are poorer than we are, need to get money because times are tough, they can get it and get it at a lower cost, which means they will recover more quickly and we'll start doing business more quickly.

And if you don't think that's a big issue, look what is happening to America's farmers because of the collapse of the markets in Asia. Here we are at the most prosperous time perhaps in this country's history with an absolute disaster in the family farms of America.

So that's why it makes sense in a global economy for the world's richest country to be debt-free, and why it is a progressive thing to do—and why, by the way, when you do it, we won't be paying interest on the debt anymore. If you were a Member of Congress, you would find that before you did anything else you'd have to take about—it used to be 15 and now 14 cents on every tax dollar to pay interest on the debt we have accumulated, largely in the 12 years before I took office. So don't forget, you get out of debt, you've also got 14 cents you used to not have. And 14 cents of every dollar, all of you pay in taxes, is a pretty tidy sum of money. So that's why this is a good thing.

So I say to you we need to go to the country and say, tax cut, sure, but first things first: Save Social Security and Medicare and deal with the challenge of America's aging; continue to invest in our children's future and in the other basic things we have to have;

pay that debt off for the first time since 1835 and guarantee America a generation of prosperity. Then have a tax cut that we need and can afford. That is the debate we ought to have.

And I can tell you there are lots of other examples. I think we were right on closing the gun show loophole, and I think they were wrong. I think we were right on the Patients' Bill of Rights, and I don't think they were. I say that not because I take any joy in that. I liked it when we got together. I liked it when we had big majorities of both parties in both Houses voting for welfare reform. I liked it when we had big majorities of both parties in both Houses voting for the Balanced Budget Act of 1997. I wish it can be that way again.

But I am telling you, we've got to stand up for what's right for all the people. What brings us together as a community? What gives other people opportunity they wouldn't otherwise have? What purges our spirit from the kind of awful, arrogant hatred that led that terribly disturbed young man to kill those people because they were of different races in Illinois and Indiana and claim it was a religious imperative?

I had today a bunch of civil rights lawyers in my office and a bunch of high-toned business lawyers who don't practice civil rights law, to commemorate the 36th anniversary of John Kennedy bringing 200 lawyers to Washington to ask them to lead America's charge in civil rights. And I asked them to lead America's charge in trying to integrate our law firms, integrate our corporations, and use pro bono legal work to help solve the economic and social problems of low income people around the country.

I'll just close with this. One of the greatest weeks of my Presidency was a couple of weeks ago when I had the privilege of going to Appalachia, to the Mississippi Delta, to East St. Louis, to the Pine Ridge reservation in South Dakota, to south Phoenix, and East L.A., because I believe that we can keep this economy going better if we get people to invest in the areas that have felt none of our recovery. And I have a simple proposal: Give

Americans like you the same tax incentives to invest in poor areas in America we give you to invest today in the Caribbean, in Africa, in Asia, and Latin America. I want you to have those incentives. I just want poor areas in America to be as attractive. Our best new markets for America are here in America.

But what it reminded me of is all these people, they're just like us. Just because they don't have a nice necktie and a nice suit to wear, life dealt them a little bit different hand. You know, Janice and I, we'd like to have you believe we were born in log cabins we built ourselves. *[Laughter]* But the truth is, you take one or two different turns in life and she and I both are back in Hope, Arkansas, doing business with each other in our little hometown. Some days I think it wouldn't be too bad. *[Laughter]*

But I'm just telling you, you think about it, every one of you—you think about this when you go home tonight. Why did you come here? Why did you come here? If they ask you why you came, tell them because you believe we're better off when we all go forward together. Tell them because you believe this ought to be one community. Tell them, guess what, we tried our ideas in the crucible of excruciating combat for 6½ years and the country is better off.

So it's not like there's no evidence. And before we squander this surplus, let's take care of the aging of America; let's take care of the children of America; and let's get this country out of debt so we can go forward together.

Thank you, and God bless you.

NOTE: The President spoke at 8:22 p.m. in the Main Ballroom at the St. Regis Hotel. In his remarks, he referred to Janice Griffin, chair, and Susan Turnbull, vice chair, Women's Leadership Forum; John Merrigan, chair, and Penny Lee, vice chair, Democratic Business Council; Joseph J. Andrew, national chair, and Beth Dozoretz, national finance chair, Democratic National Committee; Susan Blumenthal, former senior adviser to the President for Women's Health; and alleged murderer Benjamin Nathaniel Smith.

**Memorandum on the Ninth
Quadrennial Review of Military
Compensation**

July 20, 1999

Memorandum for the Secretary of Defense

*Subject: Ninth Quadrennial Review of
Military Compensation*

Under the provisions of section 1008(b) of title 37, United States Code, every 4 years the President must direct a complete review of the principles and concepts of the compensation system for members of the uniformed services. You shall be my Executive Agent for this review, consulting with me and my other senior advisors as required.

The past decade has been a time of dynamic change for our military. We achieved dramatic victories in the Persian Gulf and Kosovo, performed peacekeeping missions around the world, and completed a significant downsizing of our military forces. As the major superpower, we have maintained global commitments even as our forces have been reduced. Although our military compensation system remains competitive, enabling us to recruit and retain enough dedicated men and women to achieve the highest quality uniformed forces in the Nation's history, the restructuring of our military forces presents certain challenges. I have asked our smaller military to work even harder and therefore want to ensure that the compensation of military members is fair and effective as we enter the 21st century.

To that end, I have proposed significant enhancements to the compensation system in the FY 2000 budget. These changes include an across-the-board pay raise for all military members; reforms to the military retirement system; and a targeted pay increase for noncommissioned officers and mid-grade officers who gained the skills, education, and experience so valued by our thriving private sector.

The Ninth Quadrennial Review of Military Compensation should encompass a strategic review of the military compensation and benefits system, veterans benefits and services provided by the Department of Veterans Affairs, and other Federal entitlements directly affecting military members. The review

should assess the effectiveness of current military compensation and benefits in recruiting and retaining a high-quality force in light of changing demographics, a dynamic economy, and the new military strategy. As Executive Agent, you shall ensure that representatives of other executive branch agencies participate in this review as appropriate.

I look forward to reviewing your progress in this important undertaking.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on July 21. An original was not available for verification of the content of this memorandum.

**Notice—Continuation of Iraqi
Emergency**

July 20, 1999

On August 2, 1990, by Executive Order 12722, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders 12722 of August 2, 1990, and 12724 of August 9, 1990, the President imposed trade sanctions on Iraq and blocked Iraqi government assets. Because the Government of Iraq has continued its activities hostile to United States interests in the Middle East, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 1999. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iraq.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

William J. Clinton

The White House,
July 20, 1999.

[Filed with the Office of the Federal Register,
8:45 a.m., July 22, 1999]

NOTE: This notice was released by the Office of the Press Secretary on July 21, and it was published in the *Federal Register* on July 23.

**Message to the Congress on
Continuation of the National
Emergency With Respect to Iraq**

July 20, 1999

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1999, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

William J. Clinton

The White House,
July 20, 1999.

NOTE: This message was released by the Office of the Press Secretary on July 21.

The President's News Conference

July 21, 1999

The President. Please be seated. Good afternoon.

Q. Mr. President, you don't know it, but there is such a bright light on you—[inaudi-

ble]—we can't see you for the light. [Laughter]

The President. I've been waiting a long time for the halo to appear. [Laughter]

Let me say, ladies and gentlemen, I have a brief opening statement, but before I make that and take questions, I'd like to say that, as you might imagine, I have been briefed on this morning's developments in the search off Martha's Vineyard. Again, let me commend the Coast Guard and all the officials at the local, State, and national level for the fine work they have done under extremely difficult circumstances.

Again, I think we should keep our thoughts with the families as events unfold, and my thoughts and prayers are with them.

Today I want to make a brief statement about the choice we face here in Washington and in our country about how best to move forward into the new century and what to do with the surplus.

When we look toward the future, it is helpful to remember at least the recent past. Six and a half years ago, the budget deficit was \$290 billion and rising. Wages were stagnant; inequality was growing; social conditions were worsening. In the 12 years before I took office, unemployment averaged more than 7 percent. It's almost difficult to remember what it was like. No one really thought we could turn it around, let alone bring unemployment to a 29-year low, or turn decades of deficits, during which time the debt of our country was quadrupled in only 12 years, into a surplus of \$99 billion.

Our Nation has made a seismic shift in the last 6 years, from recession to recovery, from a crisis of confidence to a renewal of resolve, from economic disorder to a fiscal house finally in order. Now, as we debate what to do with our prosperity, we face a critical choice, whether to move forward with the fiscal discipline that got us to where we are today or return to the kind of risk taking that got us into recessions and deficits before.

We must decide whether to invest the surplus to strengthen America over the long term, or to squander it for the short term. I think the right course is clear. And a bigger surplus only means that the mistake could be bigger and the missed opportunity greater if we take the wrong course.

I have proposed a balanced budget that puts first things first. I believe we must maintain our sound economic strategy and invest the surplus in long-term goals: saving Social Security; saving and strengthening Medicare, modernizing it by providing a long-overdue drug benefit; and continuing to meet our basic responsibilities in education, defense, the environment, biomedical research.

Tomorrow I will release a report that shows a great and growing need for prescription drug coverage. What the study shows is that 75 percent of our older Americans lack decent, dependable private-sector coverage of prescription drugs; that's three out of every four seniors. Clearly, America needs a prescription drug plan that is simple, universal, and voluntary. Anyone who says we don't, I believe, is out of date and out of touch.

As I've described, my plan meets these national priorities, while paying off the debt by 2015; while investing in America's new markets, the places that have not yet felt our prosperity; and while providing substantial tax relief, \$250 billion of it targeted to help families save for retirement, pay for child care, long-term care, for modern schools.

So let's be clear about something. We're not debating whether to have tax cuts or not. We should have tax cuts, but tax cuts that provide for us first to save Social Security and Medicare, not undermine them; tax cuts we can afford, not ones that would demand drastic cuts in defense, education, agriculture, the environment; tax cuts in the national interests, not special interests.

Now, these are the risks that are posed by the Republican tax plan that the House is about to vote on. Let me tell you what their plan would do. It would pile up \$3 trillion in debt over the next two decades, right when the baby boomers start to retire—that's what it costs—right when Social Security and Medicare feel the crunch.

Because of the cost of the tax plan over the next two decades, I should say what it doesn't do. It doesn't do anything to extend the solvency of Social Security, to extend the solvency of Medicare, to provide the prescription drug benefits, and it would require significant—significant—cuts from where we are today in education, defense, biomedical

research, the environment, and other critical areas.

If we don't save Social Security, it's not because we can't. If we don't strengthen Medicare and add the prescription drug benefit, it's not because we can't. If we don't meet these clear national needs, it's because we choose not to do so. It will be because, instead, we choose to reward ourselves today by risking our prosperity tomorrow.

I hope Congress will make the right choice. When Members cast their ballots on the Republican tax plan, they're really voting also on whether to save Social Security and Medicare. They're voting on whether to pay off the national debt for the first time in over 150 years, something that would guarantee us lower interest rates; higher investment; more jobs; higher incomes; and for average citizens, lower home mortgage payments, car payments, credit card payments, college loan payments. They're voting whether to meet our most pressing national priorities in education, defense, nearly every other domain in our people's lives. I think the choice is clear between the plan the Republican leadership has outlined and the national priorities of the American people. I hope we can still work together across party lines to save Social Security and Medicare, to safeguard our priorities, and have the right kind of tax cut.

If Congress passes the wrong kind, of course, I will not sign it. I will not allow a risky plan to become law. And as I said, we now have 6½ years of evidence. This is not really a debate that's just about ideas without any evidence. We clearly know what works now, and we ought to stay with it.

As I said, I will work with any member of any party willing to put first things first. We can have a tax cut and do the right thing for the long term in America. That is my commitment, and I hope that together we can fulfill it for our people.

Thank you very much. Helen [Helen Thomas, United Press International].

"One China" Policy and Taiwan

Q. Mr. President, in U.S. treaty relations, is it obligated to defend Taiwan militarily if it abandons the "one China" policy? And would the U.S. continue military aid if it continues, if it pursues separatism?

The President. Well, let me say, first of all, a lot of those questions are governed by the Taiwan Relations Act, which we intend to honor. Our policy is clear: We favor the “one China” policy; we favor the cross-strait dialogs. The understanding we have had all along with both China and Taiwan is that the differences between them would be resolved peacefully. If that were not to be the case, under the Taiwan Relations Act, we would be required to view it with the gravest concern.

But I believe that both China and Taiwan understand this. I believe that they want to stay on a path to prosperity and dialog. And we have dispatched people today, as the morning press reports, to do what we can to press that case to all sides. This is something that we don’t want to see escalate, and I believe that what Mr. Lee said yesterday was trying to move in that direction. We all understand how difficult this is, but I think that the pillars of the policy are still the right ones. The “one China” policy is right; the cross-strait dialog is right; the peaceful approach is right. And neither side, in my judgment, should depart from any of those elements.

Q. So we would still have to go to war with China if it decided to break away?

The President. I will say what I’ve already said. The Taiwan Relations Act governs our policy. We made it clear. And I have—as you remember, a few years ago we had a physical expression of that, that we don’t believe there should be any violent attempts to resolve this, and we would view it very seriously. But I don’t believe there will be. I think that both sides understand what needs to be done.

Terry [Terence Hunt, Associated Press].

Q. Mr. President, do you think that President Lee was unnecessarily provocative in trying to redefine the nature of the Taiwan-Chinese relationship? And is the United States trying to send a signal by delaying a Pentagon mission which was going to Taiwan to assess its air defense needs? And further, finally, you said that you still believe in a “one China” policy. How do you address Senator Helms’ criticism that it’s a—that that policy is a puzzling fiction?

The President. Well, I don’t think it’s a puzzling fiction. I think that—but if Senator

Helms means that today they’re not, in fact, unified, then that’s true. But the Chinese tend to take a long view of these things and have made clear a sensitivity to the different system that exists on Taiwan and a willingness to find ways to accommodate it, as they did in working with Hong Kong, and perhaps, even going beyond that.

So I think the important thing is to let—they need to take the time necessary to work this out between themselves in a peaceful way. That is clearly in both their interests. And I’m still not entirely sure, because I have read things which seem to resonate both ways on this, exactly what the Lee statements were entitled—trying to convey.

But I think that both sides are now quite aware of the fact that they need to find a way to pursue their destinies within the framework that we have followed these last several years, which I might add has allowed both places to prosper and to grow, to do better, and to have more contacts, more investment, and underneath the rhetoric, quite a bit more reconciliation. So I would hope that we would stay with what is working and not depart from it.

Q. Is that the meaning of the delay of the Pentagon mission to assess the—

The President. I didn’t think this was the best time to do something which might excite either one side or the other and imply that a military solution is an acceptable alternative. If you really think about what’s at stake here, it would be unthinkable. And I want—I don’t want to depart from any of the three pillars. I think we need to stay with “one China”; I think we need to stay with the dialog; and I think that no one should contemplate force here.

Randy [Randy Mikkelsen, Reuters].

Federal Reserve Board Chairman

Q. Economists have been calling on you to indicate now whether you intend to reappoint Alan Greenspan in order to avoid having the issue to become mired in election-year politics and upsetting financial markets next year. Would you like to see the Chairman stay on, and has he given you any indication of his plans?

The President. I have, as you know, enjoyed a very good relationship, both personally and professionally, with Mr. Greenspan. I think he has done a terrific job. I have no idea whether he would even be willing to serve another term. I will make the decision in a timely fashion. I do not expect it to become embroiled in election-year politics; there's no evidence of that.

You heard—I think the Vice President said yesterday or the day before that he thought he was doing an excellent job. So we believe that as long as the United States is fiscally responsible, then the Fed will respond to developments in our own economy and in the world economy in a way that is clear, transparent, and, I think, designed to keep our growth going. So I'm not concerned about it.

Peter [Peter Maer, NBC Mutual Radio], go ahead.

Q. I think the Vice President indicated he was sending a signal by saying that Chairman Greenspan had been doing an excellent job. Do you endorse that interpretation?

The President. I don't know. All I know is he said he was doing a great job, and I agree with him.

Go ahead.

John F. Kennedy, Jr., Aircraft Tragedy/ Medicare

Q. Mr. President, you mentioned the Kennedy tragedy at the beginning of the news conference. Could you please give us a better understanding of what the White House role has been in the conduct of the recovery operation and the decisionmaking on the release of information about it?

The President. Well, I think that—I am unaware of any role we have played in the decisionmaking of the release of information, except, let me say that today a lot of things are breaking in a hurry, and I believe there are some decisions that ought to be announced by the Kennedy family and others that ought to be properly announced by either the Coast Guard or the NTSB.

So we have not tried—to the best of my knowledge, had any role in the timing or substance of the release of information. And we have had no role in the conduct of the operation except that I did talk to Admiral

Larrabee, I think it was the day before yesterday, at a time when the operation might normally have ceased, and he said, "I think we have a chance to find something else because of the equipment we have here, even though it's difficult; and I'm inclined to believe, because of the circumstances here and because who's involved, that we ought to go on a little more." And I said that I would support it and defend it. And I think it was the right decision.

Q. Mr. President, if you'll allow me to ask you about two different topics. On the Kennedy search, sir, there have been conflicting reports about whether or not Mr. Kennedy's body has, in fact, been recovered. I understand that based upon the answer you just gave, that might not be a question that you'd want to address, but, perhaps, given the fact that there is this conflicting information you could answer that question.

And secondly, sir, on this notion of a drug benefit, prescription drug benefit, you chided the Republicans about targeting tax cuts at the wealthy, saying that they're too steered in that direction. How do you reconcile that philosophically with allowing rich Americans, rich older Americans, to get a prescription drug benefit which even you just said this new study will show one in four don't need?

The President. Well, first of all, it's voluntary. And most wealthy Americans are well taken care of under the present program they have and won't exercise it. So that's the first point I want to make.

The second thing I would like to say is I don't think most people know this, even some of you may have forgotten, but in the 11th hour of the balanced budget—of the deficit reduction package negotiations in 1993, in order to get up to \$500 billion in cuts in the deficit projected over 5 years—we did much better, as all of you know—the cap was taken off. The income cap was taken off of the Medicare tax, which means virtually every single upper income person in America will pay far more into the Medicare program than they will ever draw out in health care or benefits.

They are making a net significant contribution today because, unlike Social Security taxes where there is still an earnings cap,

there is no longer an earnings cap on Medicare. And I think a lot of folks have forgotten that. So that in that sense, this is the most progressive program we have. The upper income people, particularly once you get over about \$250,000 in income, they're paying far more into this program over the course of their life than they could ever draw out if they were sick every day from the time they're 65 on.

Q. Sir, the question—[inaudible]—Mr. Kennedy's body?

The President. I just don't think I should make an announcement about that. I am aware of what the Coast Guard has done and what they have found as of 5 minutes before I came out here. But I simply—I just don't think it's appropriate for me—I'll be glad to comment on whatever they want to say, but I think I should leave it for them to talk.

Yes, go ahead.

Congressional Budget Office Estimates

Q. Sir, you talked about how expensive the Republican tax cuts would be. But the Congressional Budget Office has now just come out with a report saying that even with their tax cuts, almost \$800 billion in tax cuts, they would save about \$277 billion over a 10-year period, whereby your program would save only about \$50 billion; that's about \$227 billion difference. How do you reconcile that? And, you know, people on the Hill listen to the CBO.

The President. They listen to the CBO except where it's inconvenient for them, like the Patients' Bill of Rights. The Republicans have freed us all now to question the CBO, since they ignored the CBO in the Patients' Bill of Rights; they have discredited their own CBO.

Let me say, I haven't seen that CBO accounting. All I can tell you is that all of our budget people were rolling their eyes and saying that it was a very creative study.

Let me just say this: You have 6½ years of experience with the numbers we have given you and the estimates we have made. And every single year, our numbers have not only been accurate, but we have done better than we said we would do—every single year, for 6½ years now.

Our studies show that their tax cut over the next two decades will cost, first, a trillion dollars, and then 3 trillion in the second decade, and that—then an enormous loss to the American people in interest savings. That is, we'll have to keep spending more and more of our tax money paying interest on the debt, and it will require huge cuts in education and defense and other things.

You cannot—they simply cannot credibly make that statement. And they don't put any new money into the Medicare program. And they don't have a Medicare reform package out there. So unless they just simply propose to bankrupt all the teaching hospitals and a lot of the other hospitals in the country and let the Medicare program wither away, as one of the previous leaders so eloquently put it, they can't possibly finance this tax program without doing serious damage. I can't comment on the CBO study, but it doesn't make any sense to anybody I've talked to about it.

Q. May I just follow up?

The President. Yes.

Q. The CBO estimates the cost of your Medicare reforms are more than twice what you say they are.

The President. Well, again you have evidence. Let me just say this: In the 1997 balanced budget agreement we agreed to a Medicare savings figure, okay. And this is the reason all these teaching hospitals are in trouble today. We agreed to a Medicare savings figure, and we said, "Okay, here is our health information"—this is what we do in the executive branch; we deal with these hospitals—"here are the changes you need to make in the Medicare program to achieve the savings that the Republicans and the Democrats in Congress and the White House agreed on." And the CBO said, "No, no, no, no, that won't come close; you need these changes plus these changes." And we said, "Okay, we're following the CBO; we put it in there." What happened? And that's one of the reasons the surplus is somewhat bigger than it otherwise would be—the cuts in Medicare were far more severe. Our numbers were right; their numbers were wrong; and that's why you've got all these hospitals all over America, every place I go, talking about how they're threatened with bankruptcy.

So when it comes to estimating Medicare costs, again, we have evidence. And whenever there's been a difference between us and the CBO, we've been right, and they've been wrong. That's all I can tell you. No serious person—so what are they going to do about Medicare? They say our drug program will cost more. They don't put a red cent into it; what are they going to do about it? Even if you don't have a drug program, if you adopt their tax cut program, they won't be able to do anything to extend the solvency of Medicare, and they will have to have huge cuts.

For them to produce those savings, they are going to—they can't even fund my defense budget, much less the one they say they want. They're going to have cuts in defense, cuts in education, cuts in the environment. That's all their savings assumed, that they're going to stay with the present budget levels, which they, themselves, are trying to get out of even as we speak here today. So this is—the American people are not—I mean, this is not rocket science; this is arithmetic.

And we've been dealing with—we went from creative supply-side mathematics to elemental arithmetic in 1993. And it has served us very well. And all I'm trying to do is stick with basic arithmetic and get this country out of debt, save Social Security and Medicare, provide this prescription drug benefit, keep us moving forward.

Q. Mr. President?

The President. Go ahead, John [John King, Cable News Network].

Q. Mr. President?

The President. Next. Let me take John's first, then I'll take you, Sarah [Sarah McClendon, McClendon News Service].

Telephone Conversation With Chairman Yasser Arafat of the Palestinian Authority

Q. Sir, in your conversation with Chairman Arafat this morning, did you ask him to take any specific steps to advance what you believe is new momentum toward peace, and did you discuss with him his complaints yesterday that he found Prime Minister Barak's 15-month timetable unacceptable?

The President. Well, I told him only this, I said that—I generally described my meetings with Prime Minister Barak to him. I told

him that he was committed to working in partnership with Chairman Arafat and honoring any agreements that had been made to this point and that any modifications they made, going forward, to the benefit of either or both sides would have to be done by mutual agreement; that I thought he was completely committed to resolve all the issues outstanding in the peace process in an expeditious manner. And what I urged him to do was to have this one-on-one meeting, hear him out, think it through, and if he wanted to talk to me again after the meeting occurred, that I would be happy to talk to him.

So I went out of my way not to describe Prime Minister Barak's proposals or to advocate or not advocate, but simply to say that I was convinced they were being made in complete good faith and that they would—that the peace process would be revitalized and whatever they did from here on out is something that they would do together. And I think he felt good about that. And I did say, "After you have the meeting, if you want to talk about this around, I'll be glad to talk to you." And he said he did. So that's where we are.

Sarah. Go ahead, Sarah.

Public Posting of Daily White House Activities

Q. Sir, your microphone is not working apparently; it seems like you're talking very low. We can barely hear you. But in the meantime, don't you think it would be a good idea if we announced for the country's sake the list of conferences to be held at the White House each day, and the list of the people whom the President has appointments with?

The President. I don't know. I never thought about it. Don't you have a list of the conferences we have every day here?

Q. No, indeed. We do—and what if we find out you haven't any?

The President. Well, I think I ought to talk to our folks about it, but I will consider that.

Go ahead.

Balkan Summit and Aid to Serbia

Q. Will you be taking any concrete contributions with you to the Balkan summit on investment next week? And you've said that

you would give only humanitarian aid to Yugoslavia as long as Milosevic is in power. Will you have any trouble defining that? Will that cause any problems in distinguishing between humanitarian and other aid?

The President. Well, let me say that I hope very much that there will be some positive, concrete commitments that come out of the meeting that we're going to have. I do not believe we can achieve the future we want in the Balkans and avoid future ethnic conflicts unless there is a unifying vision which both brings the Balkan States closer together in their economic and political self-interests and then brings the region as a whole closer to Europe.

And so I think that we have to have some incentives to move in that direction. And there are direct—there are also indirect things the United States can do to help to contribute to that goal. And because of all the other things that have been going on—you know it's been a very busy 2 or 3 weeks—we haven't actually had an opportunity to sit down and go through what our options are, so I can't give you a more specific answer.

But I will say this: If what we have done in Bosnia and what we have done in Kosovo is to have lasting benefits, we have got to find a way to create closer unity among the Balkan States themselves, and then with the region and Europe. And that is what I am working on.

And what was the second question you asked?

Q. On the humanitarian aid, how will you define it?

The President. Oh, yes. There may be—frankly, there may be some differences of opinion. As you know, I tend to take a rather narrow view of it because I don't think that we should, in effect, reward Mr. Milosevic's political control by doing things which are not humanitarian in nature. But based on the virtual daily reports I get about where we all are on this and where we are operating in Kosovo, I now no longer expect them to be big debates. I don't expect there will be a big difference of opinion.

Yes, go ahead, John [John M. Broder, New York Times].

F-22 Funding

Q. Mr. President, the House of Representatives appears to be on the verge of terminating funding for the F-22 fighter. Will the White House fight hard for full funding for that program, even if it means sacrificing other Pentagon airplane programs or even pay for servicemen?

The President. Well, I don't think we should sacrifice the pay for our service personnel because we now are getting back in the ballgame in recruitment. You know, we've really been—the good economy and the increased deployments and the low pay, all combined, it'd be making it hard for us to both recruit and retain people. And the people are still the most important part of our military—their quality and their training and their morale and their commitment and the condition of their families. So I don't think that.

Now, the Congress every year puts other things into the defense budget which are not priorities for the Pentagon, and are priorities for the Congress. We can fund the F-22; we can fund the plane without compromising the basic priorities of our national defense within the funds set aside, and that is what I will fight to do. I think it would be a mistake to abandon the project. I think it has real potential to add to our national defense. I have always supported it, and I hope that it can be preserved.

2000 Elections

Q. Thank you, Mr. President, You had some fun, recently, with George W. Bush and his slogan of "compassionate conservatism." But you went beyond the notion that he's not offering many details as policy and seemed to ridicule his slogan and even question his sincerity. Were you just trying to help Mr. Gore's candidacy, or were you taking the opportunity maybe to just needle the leading Republican candidate?

The President. No, I was just having a little fun. [Laughter] You know, this is such a long time; if we don't have any laughs, it's going to be a very tedious struggle between now and November of 2000.

Let me say this. I think that every person struggles to find a phrase or something that

will sort of stand for what he or she is trying to do. So I was really just having a little fun.

I think the most important thing is that all the candidates make their positions clear on the great debates going on now, and make their positions clear on what they would do if they got the job. To me, that's the most important thing. You know, I am not involved in this campaign as a candidate, and I have a full-time job, so I'm not involved in any sort of full-time consulting role. [Laughter] So I look at this more from the point of view of the average American voter: What will change the lives of America?

For example, every candidate should tell us, are you for the Patients' Bill of Rights; are you for closing the gun show loophole; are you for raising the minimum wage; are you for the House Republican tax plan, or do you favor our plan on Social Security and saving Social Security and Medicare, making America debt-free, and having a smaller tax cut that enables us to continue to fund education and defense and these other things? What are you going to do if you get elected?

To me, the best thing the Vice President had done is to talk about dramatically intensifying the war on cancer; making preschool universal; increasing access to college by helping people save without tax consequences; what he could do to make America a safer country; what he would do in communities to have faith-based organizations cooperate with governments more. I think these are interesting ideas about how you build on the progress the country has made the last 6½ years.

So I would say to everyone, use whatever slogans you want, but tell us where you stand. I think that's the most important thing.

Susan [Susan Page, USA Today].

Q. Mr. President—

The President. Yes, I'll come over here. I know I'm left-leaning, but I will give you—[laughter].

Q. Mr. President, the economy is going great. In a new USA Today-CNN poll this week, your approval rating was at a very healthy 58 percent. But that same poll showed that by 50 percent to 38 percent, Americans said they wanted to see a change from Clinton administration policies, not a continuation of them. What do you think ac-

counts for that sentiment for change, and do you think it means that you present something of a mixed blessing to Mrs. Clinton and Vice President Gore in their campaigns next year?

The President. I think what that means is people think things are going well, but they want a change in policy. I think that's right. If you asked me that question, and you worded it in that way, I'd be in the 50 percent, because I think that—my own view is that in a—particularly in a dynamic time, where things are changing, you should want continued change. But is change—the question is, should we change in a way that builds on what has been done and goes beyond it, which is what I would argue; or should you change and go back to the policies we were following when we had \$290 billion deficits and we averaged over 7 percent unemployment for 12 years? I mean, I think that's really the question the American people have to ask themselves.

I think change is good. The great thing about this country is that it works best when it's sort of in a perpetual stage of renewal. So I would, myself, as a citizen, I would vote against somebody who said, "Vote for me, and I'll keep it just like it is; everything that Bill Clinton did is exactly what I'll do." I would vote against that candidate, because I do not believe that is the right thing to do.

But what I think we should do is we should build on the progress of the last 6 years and go beyond it, and not adopt a completely different approach which has been proven not to work. So all I want the American people to do is to remember what it was like before, think what it's like now, recognize that ideas and policies have consequences. And the American people usually get it right; that's why we're all still around here after more than 200 years.

Q. [Inaudible]

The President. No.

Q. [Inaudible]—for Mrs. Clinton and Mr. Gore?

The President. No, because I—he has done—look at what the Vice President's done. He's staked out new issues here. He said, "Here's how I'm going to change what we're doing in cancer research; here's how

I'm going to change what we're doing in education; here's how I'm going to change what we're doing in crime"—but not to reverse what we've done, but to build on it and go beyond it. So I think that's very, very—that's the sort of thing that's worthy of debate. That's not the same; that is change.

What the American people have to decide is what kind of change do they want. Do they want to build on what has worked for the last 6½ years, or do they want to abandon it and go back to what failed them for 12 years before? That will be the decision they have to make.

Yes, go ahead.

Syria-U.S. Relations/Iran

Q. In your last press conference, sir, with Prime Minister Ehud Barak, you mentioned you wanted better, normalized relations with Syria. Now, have you received any response, positive response or indication from Syria towards that? And on Iran, can you share with us the administration's views of the last events and administrations in Iran? Thank you.

The President. Well, on Syria let me say, the only thing I can tell you is that the statements, at least, that have been coming out of Syria have been quite encouraging in terms of the regard that President Asad seems to have for Prime Minister Barak, and the willingness, the openness that there is to negotiating and moving toward peace. So I'm encouraged by that.

And on Iran, frankly, I'm reluctant to say anything for fear that it will be used in a way that's not helpful to the forces of openness and reform. I think that people everywhere, particularly younger people, hope that they will be able to pursue their religious convictions and their personal dreams in an atmosphere of greater freedom that still allows them to be deeply loyal to their nation. And I think the Iranian people obviously love their country and are proud of its history and have enormous potential. And I just hope they find a way to work through all this, and I believe they will.

Health Insurance

Q. You mentioned the Patients' Bill of Rights. It seems like that was an argument

by both parties over providing more for people who already are lucky enough to have health insurance. And in fact, neither party dealt with some very fundamental issues that energized you and the First Lady 5 and 6 years ago. The question is, with such a robust economy and the budget surpluses, if not now, when, and if not you, who, would provide the leadership to provide for those folks?

The President. Yes, but I think the bigger question is how. That is, it is true that just as we've predicted in 1993 and 1994, that the percentage of people who have health insurance on the job is going down, just as we said it would, if nothing was done. So what we have tried to do is to isolate discrete populations that seem to be most in need and try to offer them help.

In the Balanced Budget Act of 1997, we reached bipartisan agreement on a proposal that would fund providing health insurance for up to 5 million more children through State-designed programs. Now, I've been a little disappointed—and I'm not being critical of any of the States, either, here—but I've been a little disappointed that the uptake on the program has been a little slow. That is, I would have thought by now we'd have almost 3 million of those 5 million children enrolled already because we've got the money there, and we're well behind that.

So we are looking at whether there are things that we can do at the national level to work with the States to simplify access to the children's health insurance programs that the States have set up. And I also had a talk with Senator Kennedy the other day, who believes that for little or no more extra money, we could actually adjust the program and take in several million more children. So the children are the biggest group.

Then, I have a proposal, as you know, that's part of my Medicare reform proposal that I didn't mention today, but I want to reiterate it, that would allow the most vulnerable group of people without health insurance, people between the ages of 55 and 65, to buy into the Medicare system in a way that would not compromise the integrity of the system. So I think that is quite important.

In addition to that, there are a lot of States—excuse me, there are some States—Tennessee was the first State to do this under

the former Governor, Mr. McWherter; they started it—which are allowing lower income working families to buy into their Medicaid programs on a sliding scale.

So if all these things were done, we would dramatically reduce the number of people without health insurance, and we'll eventually, probably, get down to—if we keep pushing in this direction, get down to the point where the largest group of people without health insurance are young, single people who believe that they're going to live forever and be healthy forever and don't want to bear the cost. And we'll have to think about, then, what to do.

But I think the best thing to do is try to get as many kids as we can covered and then try to get these people who are out of the work force who are older, but they're not old enough to get Medicare, to get them at least where they can all afford, on a sliding scale, to buy into the Medicare program.

Go ahead, Scott [Scott Pelley, CBS News].

John F. Kennedy, Jr.

Q. Thank you, Mr. President. On the Kennedy tragedy, sir, will you authorize the Navy to participate in a burial at sea ceremony? Why do you believe it's justified to spend so many Federal resources on this tragedy? And finally, sir, I wonder if you would give us your thoughts on Mr. Kennedy's last visit here to the White House. I understand you and the First Lady took him on a tour.

The President. Well, we have received—I have received no official word, personal word from the family about what burial arrangements they want. Until they make a statement about it, I just don't feel that I can say anything.

Secondly, I will say that until just a couple of days ago the recovery efforts—the rescue, then the recovery efforts that were undertaken, were consistent with what would have been done in any other case. Because the Coast Guard felt that they had the capacity to succeed in this if they had a few more days, and because of the role of the Kennedy family in our national lives, and because of the enormous losses that they have sustained in our lifetimes, I thought it was appropriate to give them a few more days. And if anyone

believes that was wrong, the Coast Guard is not at fault; I am. It was because I thought it was the right thing to do under the circumstances.

Now, you asked about—John Kennedy had actually not been back to the White House since his father was killed, until I became President. First, he was on an advisory committee that made a report to me, and he came back to the Oval Office, where he saw the desk that he took the famous picture in, coming through the gate, for the first time since he was a little boy.

And then last year, maybe you would have a better memory than I would, but it seems to me it was last May, when we had the event at the White House celebrating the series that HBO did on the Apollo program. Do you remember they did a series on the space program that was done after the movie came out? And Tom Hanks came; a lot of people came. And he was invited because of his father's role in starting the space program. And he and Carolyn came. And afterward I asked them if they would like to go upstairs, and he said he would. So I took him upstairs and showed him the residence, which he'd not seen since he was a tiny boy.

And I showed him some of my—the memorabilia that I had from his father's service. I have a picture of his father speaking to the Irish Parliament, and a number of other things which he thought were very interesting. And we took a—we had a very nice evening. And I sent him the pictures from it. And then, in return, he sent me a signed copy of his favorite picture of his father, which is now upstairs. It's John Kennedy campaigning in Virginia, in Charlottesville, in 1960. It's quite a lovely picture, interesting picture.

But it was a nice night. I think that he really wanted to kind of come to terms with all of it. And I think he and Carolyn, they were delightful young people, and they had a great time here that night. And Hillary and I loved having them here. It was quite a great night.

Q. To just follow on that, sir, just one question, if I may. Is there anything that Mr. Kennedy said to you that night that particularly struck you?

The President. We just had a friendly conversation. You know, I knew him pretty well by then. We'd been—I met him years ago when he was a law student, doing a summer internship with Mickey Kantor's law firm out in Los Angeles, long before I ever thought I'd be here, and before I ever thought we'd have any other contacts. He just happened to be—Mickey asked me if I'd speak to his law clerks, because I was in L.A. to give an education speech, and I went by and visited with them, and he was there. And we had been together on many occasions since then.

The thing that struck me was I thought he was—he said he was glad to be back. And I think he was a very deliberate person, as many people have noticed, about when he would be publicly exposed and all of that. He had his mother's care for having a private life. And I think that he had not—I'm not sure he had really felt he wanted to come back to the White House before he did. But especially in light of everything that's happened, I'm glad he had the chance to come back here one more time and see the residence and know where he was when he was a little boy. I'm glad he did that. I'm grateful that that happened.

Yes, go ahead. Yes, yes, please.

Colombia and Mexico

Q. On Colombia, the Pastrana administration are asking the United States for \$500 million to support the military against the guerrillas. Is your administration ready to respond to that request? And also, the Colombians are asking for more direct intervention from the United States. Are you considering this possibility? And also, Mexico, you're going to meet with President Zedillo in October. And the Mexican Government is still rejecting the extraditions of major drug lords. What are you going to ask him? You're going to get assurance from him to extradite these big narcotic traffickers to the United States?

The President. Well, you know, we had no extraditions between Mexico and the United States for a long time, and we've actually had some now. So we've moving in the right direction. And President Zedillo and I have been pretty successful in continuing to

move our relationship in the right direction, so we'll work on that.

On Colombia, I'm not prepared to make any kind of dollar commitment today. But let me say, I have stayed in close touch with President Pastrana, and I admire the fact that he has really thrown himself into trying to end the civil conflicts in Colombia, to stop the insurgency. The people in the United States have a real interest in that because I think that until the civil discord in Colombia is brought to an end, it is going to be much, much harder for us to restrain the activities of the narcotraffickers there, and their reach.

So, in addition to wanting a neighbor and a democracy in Latin America to be free of the kind of violence and heartbreak that the Colombian people have undergone because of this, it is also very much in our national security interest to do what we can, if we can be helpful in ending the civil conflict, so that Colombia can be about the business of freeing itself of the influence of the narcotraffickers in ways that would be good for Colombians and good for us as well.

2000 Election

Q. Another question about the Presidential race. Aside from asking George W. Bush to come forward and give specifics on the issues that you mentioned, could you tell us what you find objectionable about this trying to present a new moderate face for his party, just like you did for the Democrats? And could you tell us whether you're worried whether he will figure out how the Republicans can occupy the center of American politics?

The President. No.

Q. You don't think he can?

The President. No, no. I don't think I'll answer those questions. [Laughter] I will say—no, look, let me say again, I wouldn't even agree with the characterization you gave of my first answer.

When I ran for President in 1991, the first thing I did was tell the American people what I thought was going on in our country and what I would do. And if you remember, the late Senator Paul Tsongas and I were actually almost ridiculed at the time because we both put out these very detailed plans of what we

would do. If you go back and get one of those plans now, you'll see that virtually everything we said we'd do, we did do, except for the things we tried to do and were defeated on.

And my view is that there are a lot of things that count in a Presidential election toward a successful Presidency, but it is—that go beyond specific issues, and judgment plays a role in it, and crises will always come up, and things can be learned and all that. But it really matters where you stand on the big issues that everybody knows about that are going on right now, and it matters where we're going in the future.

So that's the only point I want to make. And I think any—I would say that applies to every candidate. I don't want to answer the questions you ask me because that's not my job. My job is not to handicap this horse race, not to comment on it, not to comment on the candidates. My job is to work for the American people. But I'm going to answer these questions from the point of view of Joe Citizen. That's it. Every political question you ask me from now on, I'm going to pretend that I'm living back in Little Rock already and I'm working on my Presidential library and I'm sitting here as a voter saying, where do they stand, what will they do, all of them? And I do believe the Vice President has done the best job of telling the American people what he would do and—to go back to Susan's formulation—how he would change the country in a positive way.

George [George Condon, Copley News Service].

Space Program

Q. Mr. President, as the Nation has celebrated the 30th anniversary of the Moon landing, a lot of the former astronauts have lamented that no President after Kennedy set a kind of national goal like President Kennedy did of landing on the Moon. Do you think that, in your view, is the country not receptive today to that kind of goal-setting by a President, or is it something a President should do, set a goal of landing on Mars?

The President. Well, we are planning to land on Mars. But I think that for one thing, when I became President, the space program was actually in peril. And we—the space sta-

tion was certainly at risk. And I have fought for it, and I believe in it. And one of the things I talked to—Neil Armstrong and Buzz Aldrin and Michael Collins were in to see me yesterday, and we talked about where we could go with this. And Dan Goldin was there, the NASA Administrator, and Dr. Neal Lane, my science adviser, and we talked about how we could use the coming of the millennium as—you know, the First Lady sponsored all these other lectures here. And I told him about Stephen Hawking's lecture and what he said. And we talked yesterday about how we could set some goals for the space program, capture the imagination of the American people, and broaden the support for it.

And one of the things that I suggested, that I think would be quite helpful, that we're going to work on now, is what we can do to dramatize for the American people—you mentioned Mars, but I think what is more likely to capture the imagination of the American people are the benefits to us here on Earth of continued advances in space. And some of them, particularly in the health field, are likely to be breathtaking. They're principally in the area of the environment and health.

So I asked our people to start working on that and they said they would be willing to help us. I have to tell you that it was a great day for me yesterday to have them come by the White House. They also gave me a Moon rock, by the way, but only on loan. [Laughter] And the Moon rock is 3.6 billion years old. So when I feel very tired, I'll look at it and feel young again. [Laughter]

Yes, go ahead. We had an Irish question first, I promised. Go ahead, what's the Irish question?

Q. Thank you, sir. Given the——

The President. You want to ask one, too?

Northern Ireland Peace Process/Africa

Q. We both have a—given the various meetings underway with Mo Mowlam here, and George Mitchell there, has any progress been made on the Irish situation? And is one side more to blame than the other on it?

The President. Okay. Why don't we take both Irish questions at once. What's your Irish question?

Q. Last week you seemed to kind of get fired up when you were talking to the teenagers from Colorado. You said that the politicians in Northern Ireland were behaving akin to school children. Do you feel, after all the work that you've done on this project, that perhaps it was misplaced, and you should have perhaps pushed in a place more like Africa, where they have thousands of people dying from ethnic strife, instead of 3,500 over 30 years?

Q. And if I can have a third Irish question, what role, if any, do you expect to play, Mr. President, in breaking the deadlock?

The President. Okay, let me answer the Irish questions; then I'll come back to the "Should we have done something else?"

I've talked to Senator Mitchell, and he is willing to spend some time—he can't go back full-time for another year or 2, but I'd like to put this in some—at least I'd like to tell you how I look at it.

Obviously, I am very disappointed at the breakdown of the process here. But I do think it's important to note that neither side wants to abandon the Good Friday agreement. And that's very important. It's also important to note that everybody agrees on what their responsibilities are and what the other side's responsibilities are, and everybody agrees that it all has to be done by a date certain.

So they have agreed to break out the two areas causing problems, the decommissioning and the standing up to the executive, and try to figure out how they can unlock that, and Mo Mowlam, as you pointed out, is working hard on it, and they've asked Senator Mitchell to come back and do some work on it, and my instinct is that it will be resolved.

Now, let me say in terms of your characterization, here's the problem. To the outsiders—I told the parties that to the outsiders—no one, none of us outside, even somebody like me that's been so involved in this, no one will understand if this thing breaks down over who goes first; that that did sound like the kind of argument that young people have, you know. Who goes first?

Underneath that, there's something deeper. The Protestants are afraid that the IRA

will never disarm if they let the Sinn Fein go into the executive branch, and the IRA do not believe, since the agreement did not require decommissioning as a condition of getting into the executive branch, they don't want to have to spend the rest of their lives being told that it wasn't the vote of the people, it wasn't the Good Friday accord, it was what the Unionists and Great Britain did to force them to give up their arms that got them to disarm. They believe that would, in effect, require them to disavow what they've done for 30 years.

And what they're saying is, "When we surrender our arms, we're surrendering to our people. Our people voted for this. We are surrendering to the will of the people that we represent." So when you put it in that textured way on both sides, it makes it clear why it becomes a difficult issue. And I can't think of anybody better to try to work through it than George Mitchell, because he's got it all in his head and he's put 3 years into it. But my instinct is that we will get this worked out.

Now, you asked about did I think we had misplaced our energies. I don't think so. We have—for one thing, we don't have a stronger partner in the world than Great Britain, and for another, we don't have a bigger ethnic group in America than the Irish, and we're tied by blood and emotion to the Irish struggle. I also think that it has enormous symbolism, beyond the size of the country and the number who have died. And if it can be resolved, I think it will give great impetus to the forces of peace throughout the world. So I don't believe for a moment we made a mistake.

But let me also say I think we should be more involved in Africa, and I've tried to involve us more in Africa. I did everything I could to head off that civil war between Ethiopia and Eritrea. It's not a civil war; they are two separate countries, but they once were together and they're basically now arguing over the divorce settlement. And I don't mean to trivialize it in that characterization. And we are still actively involved in trying to stop that.

Reverend Jackson played a significant role in trying to end the awful carnage in Sierra Leone, and I'm very grateful for that. We're

now working, and we're able to work with Nigeria to try to stabilize the region. We are training African militaries and the Africa Crisis Response Corps, so that we can, hopefully, prevent further carnage. So I believe the United States should be more involved in Africa.

And of course, the announcement that the Vice President made on our behalf the other day of our new AIDS initiative in some ways may be the most important thing we can do to save lives there.

So I agree that we should be more involved. But I don't agree that we misplaced our energies in Ireland. I'm proud of every late night phone call and every frustrating hour I've spent on it.

Yes, go ahead.

Q. Can I ask about you?

The President. Well, I don't want to talk about me.

Q. Oh, come on.

The President. I'm not a candidate for anything.

Go ahead, what? Go ahead. All right, one more.

White House Bicentennial

Q. Listen Mr. President, with due respect, in another development, I know that you are for Africa, and you know that I support the initiative of Africa, now, of my friend the President of the Dominican Republic because we are Afro-Latino. But I am not concerned at this moment about Mars. I am concerned about a place where I have been for 20 years, the White House, that is going to celebrate 200 years next year. I wonder if you would tell the people of the United States what you are going to plan for that big celebration?

And another thing, Mr. President, I am disgusted with you. You have been hiding something extraordinary, the performance of the trade promotional coordinating committee, that has been carrying out in the last year a national exporting strategy, are the participants in the prospective of this economy. Why don't you speak about the success of that initiative? It's a sin that you—[inaudible]—you talk about a lot of things that is nothing, another thing that is good for America and the prosperity of the world.

The President. Well, a lot of things that are good for America don't make good news for them, you see.

Q. And I have a followup. [Laughter]

The President. No, let me just say—[laughter]—a followup? [Laughter] Now, that's really good. That is really—oh, God, is that good.

Let me just say that we will have a lot of celebrations of the 200th birthday of the White House next year, and it's neat that it coincides with the first year of the new century and the millennium. So we'll have—I'm not prepared to announce them yet, because I want others who deserve more credit than I do to be able to do that. But it will be a signal honor for us to be living here in that year, and we'll be able to do a lot. And I hope we'll have even more American citizens coming to the White House next year to be a part of it.

Go ahead. Just that followup—that showed a lot of guts. [Laughter] If this is a followup, I'll give you another question. [Laughter]

Support for Vice President Gore and First Lady

Q. Sir, you've stressed that you have plenty to do, and yet for some time, your political career has enjoyed the benefits of support from two people in particular—the Vice President and the First Lady—two people who are now in a position to expect some support from you. I'm wondering what you feel you owe those two people in terms of political support, and as you plan your schedule in the weeks and months ahead, how you'll balance that assistance against your job as President, and finally, how you personally are adjusting to what people might think is an interesting shift in role.

Q. I have a followup to his question. [Laughter]

The President. Now, I believe that. [Laughter]

Well, I will do whatever I'm asked to do, basically. I'll try to be helpful. And if I can be helpful, I will be. But I think the best thing I can do for anyone who generally shares our ideas, is part of our party, trying to move the country forward, is to continue to be a good President and take care of our country.

But I don't mind hard work and I don't mind long hours, and I find myself, apparently unlike some of my predecessors—but I just read what you all say about it—but I don't feel myself winding down; I feel myself keying up. I want to do more. I want to try to make sure that I give the American people as much as I can every day. So I've got plenty of energy, and I'll do whatever I'm asked to do.

I owe them a great deal. I think Al Gore—everybody in this room knows that he's had far more responsibility and gotten more done than any Vice President in history. Nobody's ever had a role that even approximates that. I don't think the American people know that yet, but I know that. And he deserves a lot of credit for what he's done, and he has my friendship and my support. But I also think that it's a mixed blessing, as you say, because people want to see any Vice President out there on his own. If you go back and look at where Richard Nixon was in 1959, you will see the same sort of thing. So I think I see this as a rhythmic process. I think he'll do fine.

But the reason I think that has nothing to do with the questions you ask me. The reasons I think that are, A, he's a good man with a good record, but most importantly, he's out there telling the American people how he would change the country for the better. And I think that's important.

I did an interview, and I talked about Hillary and this; if she decides to do this, I will do whatever I can do. And if she's successful, I will happily go to the Senate spouses meeting if that's part of the job. I have never known anybody who didn't run for office who was a more effective, more consistently committed, completely passionate public citizen than her. So if she decides to do it, and if the people of New York decide that they want her to do it, that's a decision for them to make, and they have to deal with that. And she's trying to deal with that, you know, the whole question of moving there.

It is true that shortly after we came here I said, "You get to decide where we live from now on for the rest of our lives." And she said, "I want to go to New York"—in, like '93. This is just something that happened later. So I'll be dividing my time between

home—I'm going to be home and build my library and build my center—I'll divide my time between there and New York, whatever she does about this Senate race.

But if I can help her in any way, I will, because I think it would be a great thing for the country, not only because of what I owe her—she just—what she knows and how she's lived and what she's done. I mean, it's very unusual to find somebody like that who has that much knowledge and background and passion all packed into one place. I mean, I know that you think I'm a biased observer, but I think I could support it with evidence.

Q. Mr. President—

The President. Go ahead, Bill [Bill Plante, CBS News].

President's Future Plans

Q. In that same vein, sir—[laughter]—as the spotlight shifts from you to your Vice President and to your wife, are you likely to be content drifting slowly offstage, or do you think that someday you will want to run for office, some office again? Or are you willing to tell us this afternoon, sir, that you will never again run for elective office?

The President. I don't have any idea. [Laughter] Really, I don't know. Let me just say this. I love this job. I love it. Even on the bad days you can do something good for the country; you can do something good for the future. I have loved doing this. And I have given it every ounce of my energy and ability and judgment. And I feel very fortunate. But we have a system that I, frankly, agree with, even though I'm in pretty good shape. We have a system that says a President gets two terms, and then the President has to go find something else to do with his life. And there are lots of other worthy things to do.

And I was a very happy person before I became President. I've never had any trouble finding something interesting to do that I believed in. And I will do my best to use the opportunity and the gift the American people gave me to serve in this position to be a useful citizen of my country and the world for the rest of my life, and I have no doubt that there will be some way I can do that. And

I'm, frankly, kind of excited about it. I mean, it's a new challenge. I'll have to think in a different way and do a different way.

Will I miss a lot of the things about this job? Yes. I'll even miss all of you, believe it or not. *[Laughter]* But I'm just grateful that I've had the chance to serve and that the results have been good for our people and for our country and, I think, for the world.

And you know, that's part of life. Life has its rhythms. And the people that are most satisfied and most happy in life take the rhythms of life and make the most of them, instead of sitting around moping and wishing the rhythms were something other than they are. That's just not the way the life works. And listen, I'm way ahead, and I'm very grateful.

Thank you very much.

NOTE: The President's 179th news conference began at 2:35 p.m. in the East Room at the White House. In his remarks, he referred to President Lee Teng-hui of Taiwan; Rear Adm. Richard M. Larrabee, USCG, Commander, 1st Coast Guard District, head of the search and recovery efforts off the coast of Martha's Vineyard, MA, to locate the missing aircraft that carried John F. Kennedy, Jr., his wife, Carolyn Bessette Kennedy, and her sister Lauren Bessette; Prime Minister Ehud Barak of Israel; President Hafiz al-Asad of Syria; Gov. George W. Bush of Texas; former Gov. Ned Ray McWherter of Tennessee; actor Tom Hanks; former U.S. Trade Representative Michael (Mickey) Kantor; President Ernesto Zedillo of Mexico; President Andres Pastrana of Colombia; Apollo 11 astronauts Neil Armstrong, Edwin (Buzz) Aldrin, and Michael Collins; physicist Stephen W. Hawking; former Senator George W. Mitchell, who led the multiparty talks in Northern Ireland; United Kingdom Secretary of State for Northern Ireland Marjorie Mowlam; civil rights activist Jesse Jackson; and President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro). A portion of this news conference could not be verified because the tape was incomplete.

Statement on Senate Inaction on the Nomination for Assistant Attorney General, Civil Rights Division

July 21, 1999

I strongly support the efforts of the National Council of Asian Pacific Americans to call attention to the failure of the Senate to confirm Bill Lann Lee as Assistant Attorney General for Civil Rights.

I resubmitted Mr. Lee's nomination to the Senate more than 4 months ago, yet the Senate Judiciary Committee has not considered his nomination. Bill Lee has an excellent record as Acting Assistant Attorney General for the Civil Rights Division. Under his leadership, the Justice Department has enforced our civil rights laws justly and fairly. The Department is combating hate crimes, ensuring fair housing, fighting illegal discrimination against persons with disabilities, protecting workers from exploitation, and taking other strong actions to protect people's rights.

Some of Mr. Lee's opponents have decided to use his nomination as a means of expressing their disagreement with the civil rights laws themselves. This is wrong. He deserves to be considered based on his record and abilities, not blocked because some Senators disagree with the law of the land. To refuse to allow the Senate to vote on his nomination does a disservice to the confirmation process, to this outstanding nominee, and to the American people.

Remarks in a Conversation on Medicare in Lansing, Michigan

July 22, 1999

The President. Thank you, and good morning. I would like to begin by saying I am honored to be here. I thank all of you for coming. Somebody fell out of the chair—are you all right? *[Laughter]* I wish I had a nickel for every time I've done that. *[Laughter]* You okay now? Good.

Well, this is appropriate. I want to thank your attorney general, Jennifer Granholm,

for joining us; and Mayor Hollister, the State legislators, county commissioners, and city council members who are here. And I thank President Anderson of the Lansing Community College for making me feel so welcome here.

I love community colleges, and I'm going to go visit with some of the students after I finish here, and I'm going to tell them they should also be for this. The younger they are the more strongly they should feel about this, what we're trying to do here.

I would like to thank our sponsors today, the National Committee to Preserve Social Security and Medicare—the president Martha McSteen; the executive vice president, Max Richtman, are here. I thank the National Council of Senior Citizens and their executive director, Steve Protulis, who is here. The Older Women's League National Board president, Betty Lee Ongley; Judith Lee of the Older Women's League; John D'Agistino of the Michigan State Council of Senior Citizens.

I'd also like to thank in her absence your Congresswoman, Debbie Stabenow, who was going to come with me today, but they're voting on an issue which is very critical to whether we can do what I hope to do with Medicare. But she has been a wonderful supporter of our efforts to preserve Medicare and to add the prescription drug benefit. And I know she did a study here in this district on seniors' prescription drug options and cost, and some of you may have been responsible for the position she is now taking in Washington. But I am very, very grateful for it. And I know Debbie's mother, Ann Greer, is here. So I thank her for coming.

And let me say to all of you—and I want to thank Jane for doing this. You know, I met her about 3 minutes ago, and I—she's got to come out here with me and do this program. And I think the odds are she'll do better than I will. *[Laughter]* So I'm not worried.

Let me say, today I want to have this opportunity to talk with all of you—we have people of all ages here—about the great national debate going on not only in Washington but in our country, a debate that we never thought we'd be having. You know, I came to Lansing first when I was running

for President in 1992, and the people of Michigan have been very good to me and to Hillary and to Vice President and Mrs. Gore. I'm very grateful for that.

But it occurred to me if I had come here in '92, and I'd say, "I want you to support me because if you do we've got a \$290 billion deficit today, but I'll be back here in 6 years and we'll talk about what to do with the surplus." Now, I think it's fair to say that if I had said that people would have said, "He seems like a nice young man, but he's terribly out of touch"—*[laughter]*—"he doesn't have any idea what he's talking about. This guy is too far gone to have this job." But that's what we're doing here.

Six and a half years ago Michigan's unemployment rate was 7.4 percent. Today it's 3.8 percent. We've gone from a \$209 billion deficit to a \$99 billion surplus. And we have done it with a strategy that focused on cutting the deficit, balancing the budget, eliminating unnecessary spending, but continuing to invest in education and training. For example, we've almost doubled our investment in education and training in the last 6 years while we have cut hundreds of programs and reduced the size of the Federal Government to its smallest point since 1962, when President Kennedy was in office. So I think that's very important. And the tax relief which has been given in the last 6 years is focused on families and education.

I asked the president of this college when I came in, I asked him what the tuition was, because now our HOPE scholarship tax credit gives a \$1,500-a-year tax credit to virtually all the students in our country. And that makes community college free, or nearly free, to virtually all the students in community colleges in our country. It's an important thing.

But we've worked hard, and the American people have worked hard. Now we have the longest peacetime expansion in history, with 19 million new jobs. We have the lowest minority unemployment rates ever recorded. And we have to ask ourselves, we've worked very hard as a country for this; what are we going to do with it? And I have argued that, at a minimum, we ought to meet our biggest

challenges—the aging of America, the obligation to keep the economy going, and the obligation to educate and prepare our children for the 21st century.

Today we're going to talk primarily about the aging of America and Medicare. But I want to emphasize what a challenge that is. The number of people over 65 will double between now and the year 2030—will double. The fastest-growing group of people in the United States in percentage terms are people over 80. Any American today who lives to be 65 has a life expectancy of about 82.

Children being born today, when you take into account all of the things that can happen—illness, accident, crime, everything—have a life expectancy of 77 from birth now. We expect to unlock the genetic code with the Human Genome Project in the next 3 to 4 years, and it then will become normal for a young mother taking a baby home from the hospital to have a genetic map of that baby's body, which will be a predictor of that baby's future health. It will be troubling in some ways. It will say, well, this young baby girl has a strong predisposition to breast cancer. But it will enable you to get treatment, to follow a diet, to do other things which will minimize those risks; will say, this young boy is highly likely to have heart disease at an earlier-than-normal time, but it will enable us to prepare our children from birth to avert those problems. So this is a very important thing.

The first thing I want to say to all of you and those of you who are in the senior citizens' groups will identify with this—this is a high-class problem we have. This is a problem, the aging of America, that is a high-class problem. It means we're living longer and better. I wish all of our problems were like this. It has such—a sort of a happy aspect to them.

But it does mean that there will be new challenges for our country, and it means, among other things, that we'll have, percentage-wise, relatively fewer people working and more people drawing Social Security and Medicare.

When you look at the Social Security system, it's slated to run out of money in about 34, 35 years. It ought to have a much longer

life expectancy than that. Everybody—it's fine for the next 35 years, but I've offered a plan to increase the life of the Social Security Trust Fund for at least 54 years and to go further if the Congress will go with me.

I have offered a plan to increase—when I became President, the Medicare Trust Fund was slated to go broke this year. And we took some very tough actions in 1993 and again in 1997 to lengthen the life of the Trust Fund—actions which, I might add, most hospitals with significant Medicare caseloads and teaching hospitals which deal with a lot of poor folks believe went far too far. And we're going to have to give some money back to those hospitals in Michigan and throughout the country. But we now have 15 years on the life of the Medicare Trust Fund. Under my proposal, we would take it out to 2027, and that will give plenty of time for future Congresses and Presidents to deal with whatever challenges develop in the Medicare program after that.

Now, to do that and to do it without cutting our commitment to education, to biomedical research, to national defense, we have to devote most of the surplus to Social Security and Medicare. We will still have funds for a substantial tax cut but not as big as the one being offered in Washington today, which spends all the non-Social Security tax surplus funds on a tax cut.

I believe the wise thing to do is to take care of the 21st century challenge of the aging of America, to do it in a way that does not require us to walk away from the education of our children; and under my plan, because we would save most of the surplus, the side benefit we'd get is that in 15 years we could actually take the United States of America out of debt for the first time since 1835.

Now, why is that important—and it's more important, I would argue, than at any time in my lifetime. I was raised to believe that a certain amount of debt for a country was healthy; that just like businesses are always borrowing money to invest in new business, a certain amount of debt was healthy. The structural deficit has been terrible. The idea that we quadrupled the debt in 12 years was an awful idea, because we were borrowing money just to pay the bills.

But I'd like to ask you all to think about this, because I don't think most Americans have focused on this part of the plan, the idea of being debt-free. We live in a global economy. Money can travel across national borders literally at the speed of light. We just move it around in accounts. Interest rates are set, therefore, in a global context. If we become debt-free and we, therefore, don't borrow any money in America just to fund the Government, that means everybody else's interest rates will be lower. That means for businesses, lower business borrowing rates; it means more businesses, more jobs, easier to raise wages. For families it means lower home mortgage rates, lower credit card payment rates, lower car payment rates, lower college loan rates.

It means that we will secure the economic strength of America in ways that are unimaginable to us now. It means that if other parts of the world get in trouble, the way Asia did a couple of years ago, we'll be less vulnerable. And the people that are in trouble and need to borrow money will be able to get it at lower interest rates, and they'll get up and go on again and be able to do business with us again.

This is a very good thing to do. But it can only be done if we set aside the vast majority of the surplus to fix Social Security and Medicare. You can still have a tax cut, focused on helping families save for their retirement or any number of the other things that have been discussed within the range we can afford; focused on helping people pay for long-term care; focused on helping working families pay for child care; and, I would hope, focused on helping us modernize our schools for the 21st century and giving businesspeople big incentives to invest in the small towns, rural areas, urban neighborhoods, and Indian reservations that still haven't gotten any new business investment in this recovery of ours.

But the fundamental decision is, are we going to do these things? Now, there does seem to be agreement in Washington—let's start with the good news—there does seem to be an agreement in Washington that we should set aside the portion of the surplus produced by your Social Security tax payments for Social Security. And if that, in fact,

happens, under the way that the Republicans and the Democrats have agreed on so far, we will pay down the debt—we will continue to pay down the debt, but we won't pay it off. And we won't extend the life of the Social Security Trust Fund, as I would under my plan. But still, that's something.

There is yet no agreement in Washington over setting aside a significant portion of the surplus to save and modernize Medicare. So today we're here to talk about that. But I wanted you to have a feeling for how the Medicare proposal fits into the proposal to save Social Security, to keep investing in education, to have a modest tax cut, and to make the country debt free. I want you to think about it, because the big debate is, what are we going to do with the surplus?

And I don't even agree with the timing of what's going on in Washington. I don't think we should even be talking about the tax cut until we figure out what it costs to save Social Security, what it costs to save and modernize Medicare, what we have to do to keep the Government going.

How would you feel—now, one of my staff members, who happens to be from Michigan, said to me the other day, this is kind of like a family sitting around the kitchen table and said, "Let's plan the fancy vacation of our dreams and then talk about how we're going to make the mortgage payment." [Laughter] "Hope we've got enough left over." So that's where we are.

To evaluate whether you agree or not, we need to talk about what needs to be done about Medicare. So I'd like to tell you what I think, the first thing my plan would do is to devote a little over a third of the non-Social Security portion of the surplus, \$374 billion over the next 10 years, to strengthen Medicare by extending the life of the Trust Fund to 2027. Now, I think that is very, very important, because, keep in mind, all the baby boomers will start turning 65 in the year 2011. That's not that far away. To young people, that may seem like a long way away. The older you get, that seems like the day after tomorrow. [Laughter]

And we've waited a long time. The last time we had a surplus was 1969. This is a once-in-a-lifetime opportunity we have here to deal with this. So if we run it out to 2027

and then further complications arise, or difficulties or challenges present themselves, there will be time for future Congresses and Presidents to deal with them without having to take drastic action. So that's the first thing—run the Trust Fund out to 2027.

No serious expert on Medicare believes that we can stabilize Medicare without an infusion of new revenues. The second thing we do is to employ some of the best practices in health care today: competition and other practices now in the private sector to keep costs down that don't sacrifice quality and don't require people to be forced out of the fee-for-service Medicare plan if they don't want to be into a managed care plan. We leave free choice open. No requirement.

The third thing about this plan that's gotten the least publicity but is potentially very important for our country is that we allow people between the ages of 55 and 65 who aren't working anymore or don't have health insurance on the job and don't have retiree health insurance to buy into Medicare in a way that doesn't compromise the stability of the program. I think that is terribly important. That's a huge problem in our country today and a growing one, people who are out of the work force or working for very small businesses without employer-sponsored care, who can't get any health insurance because of their age or their previous health condition.

The fourth thing the plan does is to modernize the benefits of Medicare to match the advances of modern medicine. That means first encouraging seniors and disabled Medicare beneficiaries to take greater advantage of the available prevention mechanisms in our country, preventive tests for cancer, for osteoporosis, for other conditions, by eliminating the deductible and the copay from those tests and paying for it by charging a modest copay for lab tests that are often overused.

Now, why is this important? Well, if somebody develops osteoporosis, a severe case, and goes to the hospital and has a prolonged medical regime under Medicare, the taxpayers pay for all of it. But very often, the prevention is not done because of the costs involved. It'll be far less expensive over the long run to spend a little more on prevention

now and keep people out of the hospital and the expensive payments we're going to pay if we don't do that. Very important issue.

And then we provide, for the first time, for a voluntary and affordable prescription drug benefit. Basically, we propose to start with a \$24 a month premium to pay half the drug cost, up to \$2,000, phasing up over the next 5 or 6 years to a \$5,000 ceiling, with the premium going up that way, in a graduated way. For seniors at 135 percent of poverty or less, we would waive the premium and the copay, and then the premium would be phased in, up to 150 percent of poverty. So there would be subsidies there.

Now, there are those who say, "Well, this is good, but I've got a good retiree health plan with prescription drugs, and if you offer this, my employer will drop it and it's better than this deal." Well, I want you to know that one of the things we've done in here is put substantial subsidies in here to employers who offer drug benefits to their retirees. So I think it is less likely that they will drop the benefits, not more—because they're going to get a real incentive to keep the employer-based retiree programs. The second thing I want to say, again, is this is an entirely voluntary program.

Now, the other big criticism of this program has been that, well, they say, two-thirds of the people have prescription drugs already who are retired. That is misleading. That is only accurate by a stretch, and let me explain what I mean by that. We have a report we are releasing today that shows that 75 percent of older Americans lack decent and dependable private sector coverage for prescription drugs. And the problem is getting worse.

Fewer than one in four retirees, 24 percent, have drug coverage from their former employers. Now, the number of corporations offering prescription drug benefits to retired employees has dropped by a quarter, 25 percent, just since 1994. Eight percent of the seniors have Medigap drug policies. But as all of you know, Medigap premiums explode as people get older, when they most need the benefits and can least afford the higher prices.

Here in Michigan, for example, seniors over 85 must pay over \$1,100 a year in

Medigap premiums for drug coverage, not counting the \$250 deductible. Those high costs are especially hard on women, who tend to have lower incomes than men because they didn't have as many years paying into Social Security or retirement primarily. Seventy-two percent of the Americans over 85 are women. Seventeen percent of seniors have drug benefits through Medicare managed care plans. But three-fifths of these plans cap the benefits at less than \$1,000 a year.

And listen to this, in just the last 2 years, the percentage that capped drug benefits at only \$500 per year has grown by 50 percent. Anybody that's got any kind of medical condition at all will tell you it doesn't take very long to run through \$500.

So what does this mean? It means that the vast majority of our seniors either have no drug coverage at all or coverage that is unstable, unaffordable, and rapidly disappearing. It means, therefore, that we need a drug plan for our seniors that is simple, that is voluntary, that is available to all, and that is completely dependable.

Securing and modernizing Medicare I believe is the right thing to do for our seniors, but I also think it's the right thing to do for all the young people here. And for the next generation, the young parents in their thirties and forties. Why? First, because it guarantees we can get out of debt by 2015—I explained why that's a good idea. Second, because if we do this and we stabilize Social Security and Medicare, we will ease the burden on the children of the baby boom generation who will be raising our grandchildren. It is a way of guaranteeing the stability of the incomes of the children of the seniors on Medicare. And I think that is profoundly important.

Now, I've already explained that that's what our budget does. Today the Congress is voting, the House of Representatives is voting on the Republican tax plan, which basically would spend virtually the entire non-Social Security surplus on a tax cut. And it costs a huge amount of money, not just in this 10 years but it triples in cost in the next 10 years. It explodes.

And you say, "I don't want to think about that. I want to think about today." You have

to think about that. The baby boomers will be retiring in the second decade—in the second decade of the century we're about to begin. And we have to think about that. This plan would give us no money to stabilize or modernize Medicare, and it would require substantial cuts in education, in national defense, in biomedical research, in the environment. And I predict to you that the environment will be a bigger and bigger issue for us all to come to grips with in the years ahead.

So we have to figure out what we're going to do. I believe that this plan that's being voted on in Washington will not enable us to pay off our debt; it will not do anything to add to the life of Social Security and Medicare; it will require huge cuts in our other investments and taking care of our kids. And I will veto it if it passes.

But the question is what are we going to do. You all know that we fight all the time in Washington because that's what you hear about. But I would like to reiterate that we joined together to pass welfare reform—and I did, I vetoed two bills first because they took away the guarantee of food and medicine for the poor kids. But I passed the welfare reform bill that required able-bodied people to go to work and provided extra help for child care, for transportation, for training and education for people on welfare. We now have the lowest welfare rolls in 30 years—the lowest welfare rolls in 30 years.

And big majorities of both parties in both Houses of Congress voted for it. We fought over the budget for 2 years, but in '97 we passed a bipartisan balanced budget amendment, with big majorities in both parties of both Houses voting for it. And the results have been quite good.

So don't be discouraged. You just have to send a clear message. We are capable of working together to do big things. Yesterday 50 economists, including 6 Nobel Prize winners, released a letter supporting my approach. Maybe it's easier for me because I'm not running for election, but I don't think that's right. I trust the American people to support those people in public life who think of the long run, who tell them the truth, who say, I realize it would be popular to spend this surplus, but we've waited 30 years for

it and we now have 30 years' worth of challenges out there facing us and we cannot afford to squander that.

So what I hope to do today is to answer your questions and hear your stories, and let's explore whether or not we really need to do these things for Medicare and whether or not they really will help not only the seniors but the non-seniors in the country. And if you disagree, you ought to say that, too. But my concern now is for what America will be like in 10 years, or 20 years, or 30 years.

We've got the country fixed now; it's working fine; everybody is going to be all right now in the near term. The economy is working; things are stable; we're moving in the right direction. But we now have a once in a generation opportunity to take care of our long-term challenges, and I believe we ought to do it.

Thank you very much.

[At this point, the conversation proceeded. Participant Janice Southwell asked the President how much time his Medicare plan would need to take effect.]

The President. Well, it will take us—it takes a couple of years—first of all, we can stabilize the plan immediately. If Congress passed the law and I sign it, we'll have the funds dedicated, and we can set the framework in motion today that would do all the big things.

To put the prescription drug benefit in effect, it's a complicated thing, as you might imagine, millions and millions of people involved—it will take probably a year, maybe a little longer, 2 years, to actually start it.

But where we propose to start would be with a premium of \$22 a month and a co-pay of 50 percent up to \$2,000, but it would go up to \$5,000. And I think it's very important to get up to a higher level. But we have to learn to administer it and make sure we've got the cost estimates right and all of that. So it would be fully in effect at \$5,000 about 5 years after we start.

[The conversation continued. Moderator Jane Aldrich asked Ms. Southwell her concerns about her own senior years. Ms. Southwell replied she is thinking about it and described a conversation with her daughter-in-law,

who questioned whether Social Security would exist when she became eligible.]

The President. The answer to that is, there certainly should be. There's no reason for us to let the Trust Fund run out in 2034. What I have proposed to do, just so you'll know, is—what I propose to do is to allow the Social Security taxes that you pay, which presently have been covering our deficit since 1983—as big as these deficits have been, they'd have been even bigger if it hadn't been for Social Security taxes. You need to know that, because when we put the last Social Security reform in, in 1983, we did it knowing that we would be collecting more. I wasn't around then, but they did it knowing they would be collecting more than they needed, and the idea was to have the money there when the baby boomers retired, as well as to relieve the immediate financial crisis.

Now, if you do that, you can pay down the debt some. But in order to lengthen the life of the Trust Fund, what I have proposed to do is, as the debt goes down, the interest we pay on the debt goes down. Obviously, you know, if you've got smaller debt, you have smaller interest payments. Well, you should know that for most of the last 10 years, about 15 cents on every dollar you pay in taxes comes right off the top to pay interest on the debt.

So what I want to do, as the debt goes down, I want to take the difference in what we used to pay and what we've been paying and put that into the Social Security Trust Fund to run the life of the Trust Fund out to 2053. And I've made some other proposals and will make some more because I'd like to see us take it all the way out to 2075. That would be, in the ideal world, we'd have 75 years in the Social Security Trust Fund. That's what I'd like to see, and I'm working on it. But if you get over 50 years, we'll be in pretty good shape, and I'm hoping we'll do that.

[The conversation continued.]

The President. You might be interested to know that the drug companies, a lot of them are worried about it, and they've come out opposed to my plan, even though there's

no price control in my plan. But if we represent you and millions of other people like you, we'll have a lot of market power, we'll be able to bargain for better prices. And I think that's a good thing, not a bad thing.

The other thing you should know is—maybe most of you do know this—I didn't know this until a few years ago and my former Senator, David Pryor, who is very interested in seniors and drug prices told me this, and then when I became President and began to manage the budget, I confirmed it—Americans sometimes pay many times higher prices for drugs than Europeans, for example, pay for the same drugs. So our companies are only too happy to sell in the European market at cost because—much lower cost—and they make money doing it because they recover all the cost of developing new drugs from Americans. And then the Europeans put actual price controls on them, and they sell anyway.

Now, I honor the research and development of new drugs by our pharmaceutical companies. The Government spends billions of dollars every year supporting such research, and we should. If America is on the cutting edge, maybe it's worth a premium for it. But I also believe that elderly people on fixed incomes should not be bankrupt for doing it.

That's what this—so what I'm trying to do is to strike the right balance here. I want to hold down future increases as much as we can, not by price controls, but by using the market power of the Government. And we'll have to be reasonable because we're not going to put those companies out of business and we're not going to stop them from doing research because we'd be cutting off our nose to spite our face. We wouldn't do that. But we would be able to give people like you some protection, as well as the guarantee of coverage. And I think it will be a good thing.

[Participant Jack Witt said his sister-in-law bought prescription drugs in Mexico because they cost less than in the U.S. He said he'd heard of the same possibility in Canada. He suggested the U.S. Government should purchase the drugs and provide them to seniors at a fraction of the cost.]

The President. You are subsidizing the pharmaceuticals made in America, sold in virtually every other country in the world, because they're made here and you're paying higher prices for them than people in other places.

As I said, I understand their argument. They say, "Well, why shouldn't we go in there and sell if we can make some money, but we have to recover our drug development costs." I'm sympathetic to a point, but not to the point that people like you can't have a decent living. So I think this will be a good compromise, and I hope the pharmaceutical companies will reconsider their opposition. It would be a good thing, not a bad thing, if we had the market power of large-bulk purchasers to hold these prices down to you.

[The conversation continued.]

The President. You can actually figure out pretty much what this plan would do for you. If you have, let's say, \$2,000 a year in drug costs—let's take the first year the plan goes in—let's say you've got \$2,000 a year in drug costs and let's say your income is over 150 percent of the Federal poverty level—150 percent of the Federal poverty level is \$17,000 a couple for seniors—then, you would pay \$1,000 for the drugs and \$24 a month for the premium, which is \$288 a year, which is \$1,288, so you'd save \$712 a year.

Now, if your income is under 135 percent of the Federal poverty level, which is \$15,000 a couple, you would save \$2,000 a year because you wouldn't have to pay the co-pay or the monthly premium. We've tried to take care of the really—the kind of people you're talking about at your complex who don't have enough to live on. I wish I knew the numbers for seniors living alone. I just don't have it in my head; I should, but maybe somebody will slip it to me before I end.

If somebody, one of the people here with me, if you'll slip me the numbers for what the 135 and the 150 percent of the poverty level is for single seniors, I'll tell you what that is, but you can figure it that way.

[The conversation continued. Heather Fretell, a pharmacist, said meaningful pharmacy services that ensure proper use of medication]

should be provided for seniors, because prevention of illness would bring down the cost of treatment. Ms. Aldrich asked if the President was hearing that around the country.]

The President. A lot. And let me just say to all of you, this fine young woman is representative of where the pharmacists of our country are. I want to—I said that I regretted the fact that the drug manufacturers were opposing our program because they're afraid it will hold costs down too much. The pharmacists who see the real live evidence of this problem have been, I think, the most vociferous supporters of this whole initiative of any group not directly involved in getting the benefits, and I can't thank you enough. Thank you.

But wait, let me say one other thing. She made another point that I didn't make in my remarks that I would like to make to you. She said, you know, say it was your grandmother or something, if she doesn't take this medication she'll have to go to the hospital.

Now, suppose there were no Medicare program. Suppose President Johnson hadn't created Medicare 34 years ago and we were starting out today. Does anybody here even question that if we were creating Medicare today, prescription drugs would be a part of it? If we were starting all over again? Thirty-four years ago we didn't have anything like the range of medicines we have today that could do anything like the amount of good and do anything like the amount of prolonging our lives, our quality of life, keeping us out of the hospital.

And here's the bizarre thing about this, if we manage this program right over the long run, it's going to be a cost saver because we'll be—if you've got \$2,000 in drug costs, that's a lot—that's what her costs are—that \$2,000; how long does it take you to run up \$2,000 in hospital bills? A lot less than a year. A lot less than a week.

So I think that's another point that ought to be made when this debate is unfolding, that, yes, this will be—it's a new program, so it will cost money. But eventually, particularly if Heather is right and we can make sure a higher percentage of our people use these drugs properly, you will save billions of dollars in avoided hospital stays, which we pay for. That's the irony of this whole thing.

That's the other reason I'm for all these preventive tests being provided for free, because we don't pay for the preventive tests, but when you don't get them and you go to the hospital, we do pay for that.

So I think any thing we can do to make people healthier and keep them out of the hospital and keep them out of more extensive and expensive care is a plus. So thank you very much.

[Ms. Aldrich noted that advances in preventive medicines since 1965 have been substantial and have altered how treatment is applied.]

The President. It's amazing. The average life expectancy in this country is almost 77 years now. I mean, that shows you how far we've come in just 34 years.

[The conversation continued.]

The President. First, let me say that we have made a dramatic increase in medical research one of the priorities for the last 2 years for the millennium. We're trying to double funding for the National Cancer Institute and eventually double funding for all the National Institutes of Health.

And Vice President Gore gave a speech in Philadelphia about 10 days or so ago now, where all the major associations involved in the fight against cancer came to talk about long-term plans that would really give us a chance of finding cures for many, many types of cancer. I think it will be a big national priority in the years ahead. And he gave, I thought, a very good speech about what should be done to take advantage of what we already know is out there on the horizon, just by accelerating our investments and making sure we're doing the proper testing in the proper range of our population.

I'm quite encouraged about it. I think a lot of the big breakthroughs will come after I leave office. But I hope that the groundwork we've laid now, will bring them sooner. And I think one of the things that I hope will be a big part of the debate for all of you for all the elective offices when we come up in the year 2000—I say this not in a partisan way, because, actually, we've had very good Republican as well as Democrat support for the National Institutes of Health

funding—but I think this should be a major issue and a subject of debate that all of us should talk about as Americans: What is our commitment over the long run to doing this kind of research and getting the answers as quickly as we can?

Thank you.

[*The conversation continued.*]

The President. Let me say—you heard what Mrs. Silk said about Medicare—I think we're mostly talking about this prescription drug issue today. But don't forget, as important as it is, the most important thing that we're doing is securing Medicare for 27 years. We've got to get—the basic program has to be secure, because that would literally, as many people as are terrifically burdened by this prescription drug benefit, if anything happens to the solvency of Medicare, or we have to adopt some draconian changes that raise the cost of the program so much that it's as out of reach as the drugs are now for people, the consequences would be disastrous. So let's not forget we have two things to do. We've got to stabilize and modernize and secure the Medicare program itself for the next 27 years as well as add this drug benefit.

And you made that point very eloquently, and I thank you.

[*Participant Dorothy Silk asked the President what citizens could do to help him persuade the Congress to accept his plan.*]

The President. I think tell the Congress that the country's doing well now and that, yes, you would like to have a tax cut, but you will settle for a smaller one rather than a bigger one if the money goes to save Medicare and Social Security and keep up our investment in the education of our children and pay the debt off. I think that's a simple message.

Let me just say this. You know, Americans are a country—we are famously skeptical about the Government, you know. All those jokes, "I'm from the Government; I'm here to help you," and you slam the door and the guy says—and I heard the debate last night in the House of Representatives, and the people that are for giving the surplus back to you in the tax cut will—they say, "It's your

money; don't let them"—i.e., us—"don't let them spend it on their friends." Well, we're spending it on Medicare, Social Security, and education and defense. That's us, that's all of us, that's not our friends.

I mean, I hope you're my friends, but that's—and I think what you have to say is that the country has become prosperous by looking to the future, by getting the deficit down, by getting our house in order, by getting this budget balanced, by investing in our people. And now, we have these big challenges.

If this debate in Washington is about, you know, "my tax cut's bigger than your tax cut," well, that's a pretty hard debate to win, you know? But if the debate is, "yes, our tax cut is more modest, although it's quite substantial, but the reason is we think since we've got this big aging crisis looming and since we've never dealt with the prescription drug issue, that we ought to stabilize Social Security and Medicare, save enough money to do our work in education and medical research and the environment and defense, and still have a modest tax cut," I think we can win that argument, and I think—you know, you really just need to let people know. I don't think this should be a hostile debate at all. I think you need to genuinely, in a very open and straightforward way, tell all your Representatives and Senators of all parties that you believe now is the time to look to the long run.

If America were in economic trouble now, if people were unemployed, if they were having terrible trouble, maybe we should have a big tax cut to help people get out of the tights they're in. But now that the country is generally doing well, we ought to take the money and make sure we don't get in a tight in the future. If you can just say that in a nice way, I think—I'm trying to keep the temperature down on this debate and get people to think. I want to shed more light than heat. Usually, our political debates in Washington shed more heat than light. And you can help a lot. Just be straightforward, and tell people that's what you think.

[*Ms. Aldrich suggested people write letters and send E-mail to their representatives in Congress.*]

The President. Write them a letter; send them an E-mail; send them a fax. Do something to—and say, I’m just a citizen, but I want you to know that I will support you if you save most of the surplus to fix Social Security and Medicare and make America debt-free. I will take the smaller tax cut, and I don’t want you to have to cut education or national defense or medical research or any of those other things. Let’s do this in a disciplined way, in a commonsense way. I think you just tell them that that’s what you want them to do, and don’t make it a partisan issue, don’t make it a—I don’t want Americans to get angry over this.

Like I said, this is a high-class problem. You would have laughed me out of this room if I had come here 7 years ago and said, “Vote for me. I’ll come back, and we’ll have a debate on what to do with the surplus.” So let’s be grown up about this and deal with it as good citizens.

[*The conversation continued.*]

The President. Yes, I thank you for that. I agree with that. Let me say, if you think about it, every time we do a big change in this country, the people that are doing pretty well under the status quo normally oppose it. And in the 15th century, the great Italian statesman Machiavelli said there is nothing so difficult in all of human affairs than to change the established order of things, because the people who will benefit are uncertain of their gain, and the people who will lose are afraid of their loss.

Well, I don’t think they will necessarily lose. Once they go back to what this gentleman said over here about it, and let’s put what he said and what you said together, the profit margins may go down some on heavily-used drugs where we have the power to bargain per drug, but the volume will surely go up. That’s the point you’re trying to make.

Look, none of us have an interest in putting the American pharmaceutical companies out of business. They’re the best in the world, and they’re discovering all these new drugs that keep us alive longer. And I wouldn’t—we’ll never be in a position where we’re going to try to do that. But I’ve seen this time after time after time—not just in health care, in lots of other areas. It will be fine if we just

have to get the point where they can’t kill it. I think the pharmacists will help us, and I think if we keep working, we’ll wind up getting some pharmaceutical executives who will eventually come out for it, too, once they understand that nobody has a vested interest in driving them out of business. We all want them to do well and keep putting money into research and the increased volume—if the past is any experience of every other change, the increased volume of medicine going to seniors who need it will more than offset the slightly reduced profit margins from having more reasonable prices.

Thank you very much.

[*The conversation continued. Participant Loren Graham said his 44-year-old daughter, who suffers from rheumatoid arthritis, should be able to buy into Medicare because she is refused insurance.*]

The President. But she’s not designated disabled?

Mr. Graham. I beg your pardon?

The President. Medicare covers certain—the disability population—she’s not disabled enough to cover, to qualify?

Mr. Graham. Correct.

The President. I don’t know if I can solve that or not. I’ll have to think about it. [*Laughter*]

Ms. Aldrich. But you obviously have other people that you know that are dealing with the same type of issue that you are right now, is that correct?

[*Mr. Graham said he knew a lot of people in the same situation that have supplemental insurance but no guarantee they will keep it.*]

The President. Let me say one thing. You said you wanted Medicare to be around another 32 years. Another point I should have made that I didn’t about taking the Trust Fund out 27 years, you think how much health care has changed in the last 27 years. The likelihood is it will change even more in the next 27 than it has changed in the last 27. And we may be caring for ourselves at home for things that we now think of as terminal hospital stays. They may become normal things where you give yourself medication, you give yourself your own shots, you

do all the stuff that we now think of that would be unimaginable.

I think if we can get it out that far, the whole way health care is delivered will change so dramatically that the people who come along after me and the Congress and in the White House will have opportunities to structure this in a different way that will be even more satisfying to the people as well as being better for their health.

But that's why, to go back to what you said, I want us to do this prescription drug thing. I think it is critically important. But we also have to remember that we've got to stabilize the Trust Fund. We've got to take it out. It ought to be more than 25 years. When you look ahead, you know it's going to be there.

Thank you.

[*The conversation continued.*]

The President. Well, if it was up to me, I would remove the age limits, the earnings limits on Social Security recipients, because I think that's another good thing they ought to do. But it ought to be voluntary; you shouldn't have to do it just to pay for your medicine.

I promised the lady over there who said most of the people who lived in your place were single. Now, keep in mind, we start out with the premium of \$24 a month, and that premium covers half the prescription drug costs, up to \$2,000 a year. It will go eventually to a premium of about \$44 a month that will cover half prescription drug costs up to \$5,000 a year. And I think it's important to get up above \$2,000, because a lot of people really do have big-time drug costs.

Now, the people who wouldn't have to pay the premium or the co-pay are people below 135 percent of poverty. That's \$14,000 for a couple, but \$11,000 for individuals. That's a lot of folks. And then, if you're up to \$12,750 for an individual or \$17,000 for a couple, your costs would be phased in, so there would be some benefit there.

But nearly everybody would be better off unless they have a good—the only plans that are better than this, by and large, are those that you got from your employer if your employer still covers prescription drugs. This is totally voluntary. Nobody has to do this. And we also have funds in here to give significant

subsidies to the employers who do this to encourage them to keep on doing it and to encourage other employers to do it. So I think it's a well-balanced program and a good way to start.

[*The conversation continued. Dr. Kirshna Sawhney, a cardiologist, stated his support for the President's prescription medicine proposal and also pointed out the need for reform of the Medicare payment system to hospitals. He said premier health care facilities in Michigan are losing \$80 million to \$100 million each year under the current system.*]

The President. I'd like to make two points after your very fine statement. First, on the second point you raised, I had a chance to discuss that yesterday at my press conference. When we passed the Balanced Budget Bill in 1997, the—we had to say, how much are we going to spend on Medicare over the next 5 years. And we estimated what it would take to meet our budget target. Then, the Congressional Budget Office said, no, it will take deeper cuts than that, and we said if you do that it will cost a lot more money. But we had to do it the way they wanted.

Now, this is not a partisan attack; nobody did this on purpose. There was an honest disagreement here. But it turned out that our people were right, and so actually more money was taken out of the hospital system in America than was intended to take out. And to that extent by a few billion dollars, not an enormous amount, but the surplus in that sense is bigger than it was intended to be. And we have got to correct that. I have offered a plan that will at least partially take care of it, and we're now in intense meetings with people who are concerned about it; we are going to have to do that.

Now, let me make the point about the person you said, the gentleman who died. I was aghast—last week we had another health care debate on the patients' Bill of Rights, and one of the people who was against our position said, these people keep using stories—you know, anybody can tell a story, that's not necessarily representative.

Well, first of all, I don't know about you, but I think people's stories are—I mean, that's what life is all about. What is life but

your story? [Applause] And, secondly, I—but the point I want to make is this doctor—the most important point this doctor has made is that the man who died is not an unusual case. That is the point I want to make. And that's—the pharmacist, Heather, was making the same point—there are lots of people like this.

And let me just use the example you mentioned. Diabetes is one of the most important examples of this. Complications from diabetes can be, as you know, dire and can be fatal. And you have a very large number of older people with adult-onset diabetes that have to be managed. It is expensive, but people can have normal lives.

The patients have to do a lot of the management of diabetes. They have to do it. And if they don't do their medication, the odds that something really terrible will happen before very long are very, very high. Almost 100 percent.

But if you look at the sheer numbers of people with diabetes alone, just take diabetes, then the story is about statistics, too, big numbers of people.

I thank you very much, sir.

She says we've got to quit. You've been great. Are you going to be the heavy? I should be the heavy.

Ms. Aldrich. No, they told me I had to tell you to be quiet. I said, really? [Laughter] I bet there are some Republicans that might like that job.

The President. Republicans—Hillary would like it. A lot of people would like it. [Laughter]

Ms. Aldrich. We are, indeed, out of time. So sorry, but they're telling me, and I have to take my cues. But Mr. President, we want to thank you so much for being here. And did you have some closing remarks that you'd like to make to us?

The President. I just wanted to say again, this is a wonderful moment. We told some said, heartwrenching stories today, and I wish I could hear from all of you. But keep in mind, this is a great thing. Our country is so blessed now. We've got the lowest peacetime unemployment in 40 years, the longest peacetime economic expansion in history. We've got this big surplus, the biggest one we've ever had. We think it will last for a

decade or more. More really, as long as we don't mess up the budget.

We have to decide. I already said what to me the choice is—it is your money. If you want it back now, you can tell your elected representatives. Nobody can say you didn't pay it in; you want it back. I don't quarrel with that. But I think it is much better for you to stabilize Social Security and Medicare, add the prescription drug benefit at a price we can afford, let people 55 to 65 pay into it who don't have health insurance, have a modest tax cut that doesn't undermine our ability to do that or our ability to invest in education and medical research and defense, and get the country debt-free.

You'd be amazed how many really wealthy businessmen come up to me and say, "You raised my taxes to balance the budget back in '93"—we did the top 1 percent, 1.5 percent got an income tax increase—"and I was mad at the time, but I made so much more money in the stock market than I paid in taxes, it's not funny."

Low interest rates make people money. The flipside of that is if interest rates went up 1 percent in this country, it would cost you more money than I can give you in a tax cut if you borrow any money for anything.

So what I think we have to say—I just want you to think about this and then communicate your feelings. And again, do it in a friendly way. Do it in the tone we've been talking about today. Tell them the stories you know, Doctor. Every doctor, every nurse, every pharmacist, every family should sit down and take the time—I know you think that Members of Congress, and the White House, the President—I have a thousand volunteers at the White House, most of them just read mail. And then I get a representative sample of that mail every 2 or 3 weeks. And we all calibrate that. And the Members of Congress, you'd be amazed how many Members of Congress actually read letters that they get. They do have an impact.

So these faxes and E-mails and letters and telephone calls, they register on people, especially if they're not done in a kind of harsh, political way, but just saying, this is what I think is right for our country. And I hope you'll do it.

Thank you, and God bless you.

NOTE: The President spoke at 11:45 a.m. in the gymnasium at Lansing Community College. In his remarks, he referred to Mayor David C. Hollister of Lansing; James F. Anderton IV, president, Lansing Community College; Judith Lee, assistant executive director, Older Women's League; and John D'Agistino, president, Michigan State Council of Senior Citizens.

Remarks to the Overflow Crowd at Lansing Community College

July 22, 1999

Thank you for coming today. I wish we'd had room for everybody at the other place, but you are much cooler than we were. *[Laughter]* And I hope you enjoyed the event, even long distance.

I was very impressed with the people who spoke, and I think it will be very effective in trying to make the point we're trying to make. And I'm not going to make another speech, but I'm curious—how many students are here? *[Applause]* One of the things that I'm proudest of that we've accomplished in this Congress is, after the Balanced Budget Act, we've passed this HOPE scholarship which gives a \$1,500 tax credit for—and I hope you're all using it.

The only other point I want to hammer home that I made today is, it is very important when we debate how much should go to a tax cut—should we save Social Security and Medicare; should we pay off the debt; that we not adopt a budget—as some are up there saying. They're saying, "Okay, well, we'll do it your way on Social Security and Medicare, but give us a bigger tax cut," which would mean we'd actually have to cut Federal support for education, which I think would be a terrible mistake, because if, for no other reason, the financing of higher education—it's absolutely critical.

But there are a lot of important things we're doing in our elementary and secondary schools, too, to try to lower class sizes and put more teachers out there and do things like that. So I hope all of you will also respond to what I asked the audience over there, which is, if you agree with the position we're taking—save Social Security and Medicare, invest in education and defense and the environment, have a modest tax cut, and pay

the debt off—if you agree with that, I hope you will communicate that to the Members of the Senate and Congress from Michigan. Write them a letter, send them an E-mail, send them a fax, do something. It will make a difference.

I really hope that we can conduct this discussion and bring it to a successful conclusion. I don't think that we need to have a 2-year-long protracted political battle over this. I think this is a relatively easy decision to make if the Congress can be convinced that that's where the American people are. And I believe people of all ages think that now we have this moment which is once in a lifetime, maybe once in a generation opportunity, and we ought to take it and go with it.

So I thank you for coming, and I'm going to start down here and go over here and shake hands with anybody who wants to come by and say hello.

Thank you.

NOTE: The President spoke at 1:50 p.m. in the Dart Auditorium. A tape was not available for verification of the content of these remarks.

Statement on House Action on a Republican Tax Plan

July 22, 1999

Last night the Republicans went behind closed doors, not to strengthen Medicare and Social Security, but to provide political cover for their exploding tax cut. Today the Republicans charged ahead and passed a plan that threatens our ability to pay off the debt and strengthen Social Security and Medicare. The plain fact is that their tax plan is designed to explode to a \$3 trillion cost at the very time that Medicare and Social Security come under strain. It would also force deep and devastating cuts in a broad range of domestic programs, including education, the environment, and law enforcement. If the Republicans send me a plan that undermines our ability to reform Social Security and Medicare and abandons the fiscal discipline that has helped to fuel our economic growth, I will send it straight back with a veto.

Statement on Senate Action on Hate Crimes Legislation

July 22, 1999

I am gratified that the Senate has unanimously passed the strong legislation I proposed to combat hate crimes.

All Americans deserve protection from hate crimes, and that requires us to stand together against intolerance, prejudice, and bigotry. The "Hate Crimes Prevention Act" gives power to those values and will help make our country more safe and secure.

Senate approval of this legislation gives it real momentum, and I call on the House of Representatives to meet its responsibility in combating violence that is fueled by hate. We have some distance to go before the "Hate Crimes Prevention Act" is the law of the land, but tonight's action by the Senate is a big step forward in the journey toward greater protection for all Americans.

Executive Order 13131—Further Amendments to Executive Order 12757, Implementation of the Enterprise for the Americas Initiative

July 22, 1999

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Agriculture Trade Development and Assistance Act of 1954 ("ATDA Act"), as amended, the Foreign Assistance Act of 1961 (FAA), as amended, the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1996 (Public Law 104-107), and the Tropical Forest Conservation Act of 1998 (Public Law 105-214), it is hereby ordered as follows:

Section 1. *Amendment of Executive Order 12757.* Executive Order 12757, "Implementation of the Enterprise for the Americas Initiative," as amended by Executive Orders

12823 and 13028, is further amended as follows:

- (a) The Title is amended by adding at the end thereof "and the Tropical Forest Conservation Act of 1998".
- (b) The Preamble is amended:
 - (1) by striking the comma (",") after Public Law 101-624, and inserting instead "and"; and
 - (2) by inserting "and Public Law 105-214" after "Public Law 102-549".
- (c) Section 1 is amended:
 - (1) by striking "and" after "sections 703", and inserting instead a comma (",");
 - (2) by inserting ", 805(b), 806(a), 807(a), 808(a)(1)(A), 808(a)(2), 812 and 813" after "704";
 - (3) by inserting "and the corresponding determinations required by section 805(b) of the FAA," after "FAA" the second time it appears; and
 - (4) by inserting "sections 808(a)(1)(B) and (C), and 808(a)(4) of the FAA, and by" after "The functions vested in the President by" the second time it appears.
- (d) Section 3(b) is amended:
 - (1) by striking "also" after "Enterprise for the Americas Board shall"; and
 - (2) by inserting at the end of the section "The Enterprise for the Americas Board, as constituted pursuant to section 811 of the FAA, shall also advise the Secretary of State and the Administrator of the United States Agency for International Development on the Secretary's negotiation of Tropical Forest Agreements."
- (e) Section 3(c) is amended:
 - (1) by striking "section 708(c)" after "the ATDA Act and", and inserting instead "sections 708(c) and 809(c)";
 - (2) by striking "and" after "environmental framework agreements" and

inserting instead a comma (","); and (3) by inserting "and the Tropical Forest Agreements, respectively" after "Americas Framework Agreements".

- (f) Section 4(a) is amended by inserting at the end thereof "The two additional U.S. Government members of the Enterprise for the Americas Board appointed pursuant to section 811(b)(1)(A) of the FAA shall be a representative of the international Forestry Division of the United States Forest Service and a representative of the Council on Environmental Quality."
- (g) Section 4(c)(1) is amended by striking "section 708(c)(3)(C)" and inserting instead "sections 708(c)(3)(C) and 811(c)(3)".
- (h) Section 4(c)(2) is amended by striking "Part IV" and inserting instead "Parts IV and V".
- (i) Section 4(d) is amended to read as follows: "(d) The five private non-governmental organization members of the Board appointed pursuant to section 610(b)(1)(B) of the ATDA Act and the two additional members appointed pursuant to section 811(b)(1)(B) of the FAA shall be appointed by the President."

Section 2. Judicial Review. This order is intended only to improve the internal management of the Federal Government, and is not intended to create any right or benefit, substantive or procedural, enforceable by a party against the United States, agencies or instrumentalities, its officers or employees, or any other person.

William J. Clinton

The White House,
July 22, 1999.

[Filed with the Office of the Federal Register,
12:20 p.m., July 26, 1999]

NOTE: This Executive order was released by the Office of the Press Secretary on July 23, and it will be published in the *Federal Register* on July 27.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

July 18

In the afternoon, the President and Hillary Clinton returned to the White House from Camp David, MD.

July 19

In the afternoon, the President had meetings with Prime Minister Ehud Barak of Israel in the Oval Office and in the Cabinet Room.

The President announced his intention to nominate William B. Taylor, Jr., for the rank of Ambassador during his tenure of service as Coordinator for U.S. Assistance to the New Independent States of the former Soviet Union.

The White House announced that the President will travel to Sarajevo, Bosnia-Herzegovina, on July 30 to participate in the Southeast Europe Stability Pact Summit.

July 20

The President announced his intention to nominate Jeffrey A. Bader to be Ambassador to Namibia.

The President announced his intention to appoint Curt Smitch as Commissioner of the Pacific Salmon Commission.

The President announced his intention to appoint Alison R. Bernstein, Lionel Bordeaux, Tom Colonnese, Verna Fowler, Tommy Lewis, Jr., Joe McDonald, Joseph Martin, Gerald (Carty) Monette, Debra Norris, Janine Pease-Pretty on Top, Anne C. Petersen, Faith Ruth Roessel, Karl Stauber, Richard Trudell, and Patrick Williams as members of the Board of Advisors on Tribal Colleges and Universities.

The President declared a major disaster in Nevada and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flash flooding on July 8-16.

July 21

The White House announced that the President and First Lady will travel to New York City on July 23, to attend the private memorial service for John F. Kennedy, Jr., and Carolyn Bessette Kennedy.

July 22

In the morning, the President traveled to Lansing, MI, and in the afternoon, he returned to Washington, DC.

The President announced his intention to nominate Norman A. Wulf to be Special Representative for Nuclear Nonproliferation with the rank of Ambassador at the Department of State.

The White House announced that the President declared a major disaster in Iowa and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding on July 2 and continuing.

July 23

In the morning, the President and Hillary and Chelsea Clinton traveled to New York City to attend the private memorial service for John F. Kennedy, Jr., and Carolyn Bessette Kennedy at the Church of St. Thomas More. In the afternoon, the President and Chelsea Clinton returned to Washington, DC.

In the evening, the President traveled to Cincinnati, OH, where he attended a Democratic National Committee dinner at a private residence. Later, he traveled to Aspen, CO.

**Nominations
Submitted to the Senate**

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 19

Andrew C. Fish,
of Vermont, to be an Assistant Secretary of Agriculture, vice John David Carlin, resigned.

Michael J. Gaines,
of Maryland, to be a Commissioner of the U.S. Parole Commission for a term of 6 years (reappointment).

David N. Greenlee,
of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay.

Timothy Earl Jones, Sr.,
of Georgia, to be a Commissioner of the U.S. Parole Commission for the term of 6 years, vice George MacKenzie Rast, resigned.

Susan Ness,
of Maryland, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1999 (reappointment).

Marie F. Ragghianti,
of Maryland, to be a Commissioner of the U.S. Parole Commission for the term of 6 years, vice Edward F. Reiley, term expired.

John R. Simpson,
of Maryland, to be a Commissioner of the U.S. Parole Commission for a term of 6 years (reappointment).

William B. Taylor, Jr.,
of Virginia, for the rank of Ambassador during his tenure of service as Coordinator of U.S. Assistance for the New Independent States (new position).

Submitted July 21

Jeffrey A. Bader,
of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Namibia.

Jackie N. Williams, of Kansas, to be U.S. Attorney for the District of Kansas for the term of 4 years, vice Randall K. Rathbun, resigned.

Submitted July 22

Amy C. Achor, of Texas, to be a member of the Board of Directors of the Corporation for National and Community Service for a term expiring October 6, 2003, vice Leslie Lenkowsky, term expired.

**Checklist
of White House Press Releases**

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released July 17

Transcript of a press briefing by National Economic Adviser Gene Sperling on the Republican tax plan ¹

Statement by the Press Secretary on the President's being informed about the disappearance of the airplane carrying John F. Kennedy, Jr., and others

¹ This release was made available by the Office of the Press Secretary on July 16 but was embargoed for release until 10:06 a.m. on July 17.

Released July 19

Statement by the Press Secretary: President Clinton's Trip to Southeast Europe

Released July 20

Transcript of a press briefing by Press Secretary Joe Lockhart

Fact sheet: Comprehensive Nuclear Test Ban Treaty

Announcement of nomination for U.S. Attorney for the District of Kansas

Released July 21

Statement by the Press Secretary announcing the President and First Lady's plans to attend the Kennedy memorial service in New York City

Released July 22

Statement by the Press Secretary on disaster assistance for Iowa

**Acts Approved
by the President**

Approved July 20

H.R. 775 / Public Law 106-37
Y2K Act

Approved July 22

H.R. 4 / Public Law 106-38
National Missile Defense Act of 1999